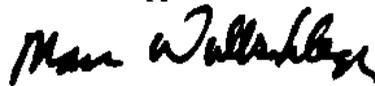


SOUTH STREET REDEVELOPMENT PLAN

Prepared by:

City of Lincoln, Nebraska
Urban Development Department
Chris Beutler, Mayor

Approved:



Marc Wullschleger, Director
Urban Development Department

May 25, 2007

TABLE OF CONTENTS

INTRODUCTION.....	3
Plan Requirements.....	4
EXISTING CONDITIONS.....	6
Land Use.....	6
Zoning	7
Parks/Trails.....	8
Public Facilities.....	10
South Street Improvement Project.....	10
Transportation.....	10
<i>Access Issues</i>	11
<i>Parking</i>	11
<i>Sidewalk and Pedestrian Activity</i>	11
<i>Public Transportation Services</i>	12
Utilities	12
Historic Significance	13
Blight and Substandard Determination Study	14
<i>Substandard Factors</i>	15
<i>Blight Factors</i>	16
<i>Reasonable Presence Factor</i>	17
REDEVELOPMENT PLAN.....	16
Redevelopment Activities: Public Improvements.....	16
<i>Streets and Alleys</i>	17
<i>Sidewalks and Pedestrian Movement</i>	17
<i>Parking</i>	18
<i>Public Utilities</i>	18
<i>Streetscape Beautification</i>	18
Redevelopment Activities: Commercial and Industrial	19
Redevelopment Activities: Residential	21
Redevelopment Activities: Removal of Blighted and Substandard Properties	22
<i>Future Land Use</i>	23
<i>Redevelopment Process</i>	23

LIST OF EXHIBITS

Exhibit 1: Redevelopment Area.....	3
Exhibit 2: Existing Land Use.....	6
Exhibit 3: Zoning.....	8
Exhibit 4: Bike Trails and Bus Routes.....	9
Exhibit 5: Commercial Redevelopment Activities.....	19
Exhibit 6: Future Land Use.....	23

LIST OF TABLES

Table 1: Existing Land Use.....	7
Table 2: Substandard Factors.....	14
Table 3: Blight Factors.....	15

LIST OF APPENDICES

Appendix A: Land Acquisition Policy Statement.....	A-1
Appendix B: Relocation Assistance.....	B-1
Appendix C: Land Disposition Procedures.....	C-1
Appendix D: Parcels to be Acquired for Residential Development.....	D-1
Appendix E: Parcels to be Acquired, Substandard Housing, and Commercial/Industrial Structures.....	E-1

INTRODUCTION

The *South Street Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. As illustrated in Exhibit 1, the area is generally bounded by Plum Street to the north, extending to Rose Street between 6th and 8th Streets, 6th Street to the west, Saratoga Avenue to the south and 17th Street to the east



The area is concentrated around the commercial district along South Street between 8th and 17th Streets. Residential areas are located along Plum Street and at the western boundary of the Redevelopment Area. Generally, the land uses are appropriate for the current use. The recently designed streetscape project for the corridor will give the area a unified feel and sense of place.

Over the years, City representatives have met with business owners, property owners, and neighborhood residents about their concerns and the future of the South Street corridor between 9th & 17th Streets. The area has a long history as a destination for shoppers, has served the abutting neighborhoods well, and has met the medical needs of many people over the last 50 years. However, the area is deteriorating quickly and something needs to be done to remedy that. After several public meetings between City officials and representatives from the area over the last several years, issues relating to business development, safety, lack of parking, deteriorating properties and inadequate infrastructure led the newly created South Street Business & Civic Association (SSBCA), with assistance from the City of Lincoln, to commission a *Blight and Substandard Determination Study*. Hanna Keelan Associates completed the study in March, 2006, and concluded that the area met the blighted and substandard criteria under Nebraska Community Development Law, Section 18-2103.

The City recognizes the threat that a blighted area represents to this important area of the city and that revitalization efforts are needed. The *South Street Redevelopment Plan* represents the City's efforts to guide and assist public and private redevelopment in the area.

Plan Requirements

Redevelopment activities are guided by Community Development Law, Neb. Rev. Stat., Section 18-2101, et. Seq (as amended). These statutes clearly state that the governing body must have declared the project area substandard and blighted in order to prepare a redevelopment plan.

The City has authorized the Urban Development Department to act as a redevelopment authority under the applicable law.

The Urban Development Department has established a workable program:

- to utilize appropriate private and public resources;
- to eliminate or prevent the development or spread of blight;
- to encourage needed urban rehabilitation;
- to provide for the redevelopment of substandard and blighted areas including, provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning, and occupancy controls and standards;
- the rehabilitation or conservation of substandard and blighted areas or portions thereof by re-planning, removing congestion, providing parks, green space, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and
- the clearance and redevelopment of substandard and blighted areas or portions thereof.

The Community Development Law Section 18.2111 defines the minimum requirements for a development plan as follows:

“A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project area ...”

The statutes further identify six elements that, at a minimum, must be included in the redevelopment plan:

1. The boundaries of the redevelopment project area with a map showing the existing uses and condition or the real property within the boundaries;
2. A land-use plan showing proposed uses of the area;
3. Information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment;

4. A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances;
5. A site plan of the area; and
6. A statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment.

In making its recommendation to approve this plan, the Urban Development Department has considered the land uses and building requirements and determined that they are in conformance with the general plan for redevelopment in the City and represent a coordinated, adjusted, and harmonious development of the city and its environs. These determinations are in accordance with:

- present and future needs to promote health, safety, morals, order, convenience, prosperity;
- the general welfare; and
- efficiency and economy in the process of development.

Factors considered in the determination included, among other things:

- adequate provision for traffic, vehicular parking;
- the promotion of safety from fire, panic, and other dangers;
- adequate provision for light and air;
- the promotion of the healthful and convenient distribution of population;
- the provision of adequate transportation, water, sewage system, and other public requirements;
- schools, parks, recreational and community facilities, and other public requirements;
- the promotion of sound design and arrangement;
- the wise and efficient expenditure of public funds; and
- the prevention of the recurrence of unsanitary or unsafe dwellings accommodations or conditions of blight.

EXISTING CONDITIONS

Land Use

The South Street Redevelopment Area is a linear area of land located in south-central Lincoln. The area, an estimated 104 acres of mixed-uses, includes retail, public services, industrial and residential land uses. It is located generally along South Street, from 6th to 17th Streets. The primary land uses in the area are commercial and public/quasi-public (See Exhibit 2).

Approximately 97 of the 104 acres within the area have been developed. The eastern portion of the Redevelopment Area has a high concentration of commercial uses. The western portion is a mixture of public/quasi-public, single-family residential and industrial uses. Residential uses throughout the area include both single family and multi-family structures.

The Redevelopment Area includes MDS Pharma Services, a laboratory and research facility, the Lancaster Manor campus, Trabert Hall, Saratoga Elementary School, and the historic St. Francis Chapel; all in addition to a mix of both new and traditional retail outlets. The residential single family structures are from the 1900's to 1920's, with a few newer multi-family rental housing facilities.

The principle arterials within the area are South Street, 17th, 16th, 13th, 10 and 9th Streets.

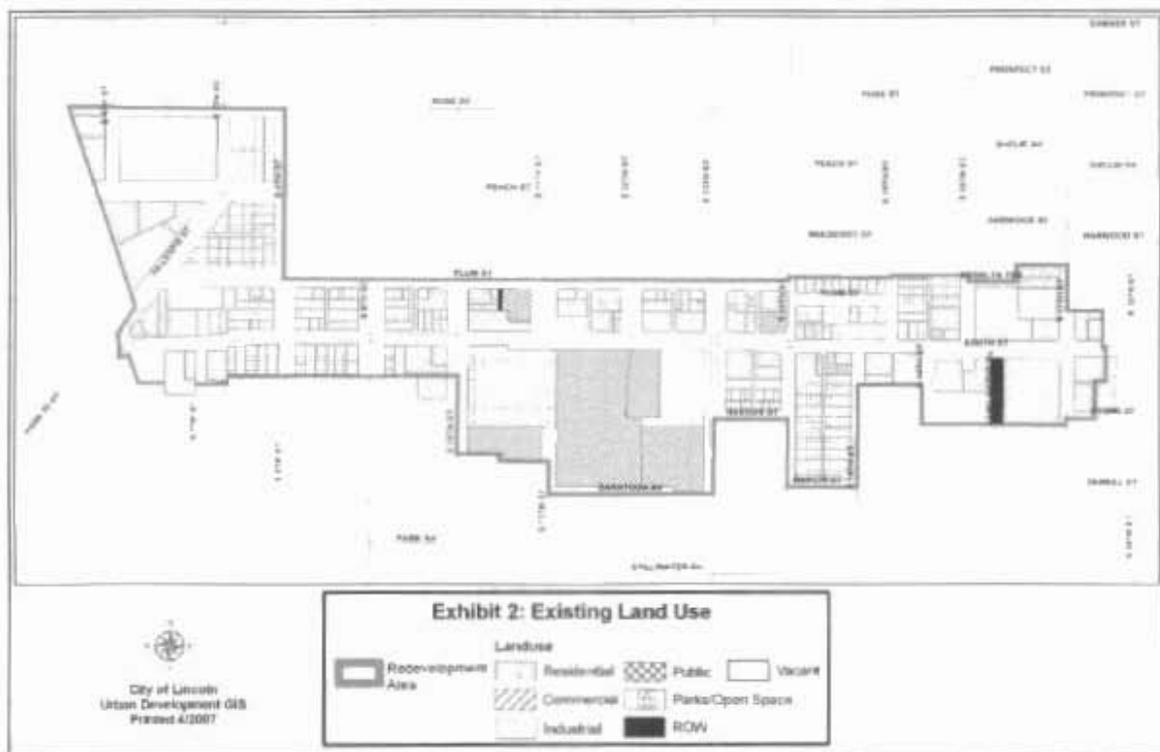


Table 1 identifies the estimated existing land uses within the Redevelopment Area in terms of number of acres and percentage of total for all existing land uses. Public/Quasi Public accounts for 17.5 percent of the area. An estimated 13.9 percent of the land use is Streets/Highway/Railroad Right of Way. Commercial uses occupy approximately 19 percent of the total area. Residential land area comprises an estimated 27 percent. Approximately 6.4 percent of the area is vacant.

**TABLE 1
EXISTING LAND USE
SOUTH STREET REDEVELOPMENT AREA
LINCOLN, NE**

LAND USE	ACRE	PERCENT
Parks/Recreation	0.0	0.0%
Public/Quasi-Public	18.2	17.5%
Residential (Total)	28.0	26.9%
Single Family	27.4	26.3%
Multi-Family	0.6	0.6%
Mobile Home	0.0	0.0%
Commercial	19.8	19.0%
Industrial	16.8	16.1%
St./Hwy/RR-R.O.W.	<u>14.5</u>	<u>13.9%</u>
Total Land Developed	93.3	93.6%
Vacant	6.7	6.4%
Total Acreage	104.1	100.0%

Source: Hanna:Keelan Associates, P.C. 2006

Zoning

The existing zoning districts within the Redevelopment Area are primarily commercial, industrial and residential (See Exhibit 3). The Public/Quasi-Public zoned district makes up nearly 18 percent of the area.

B-3 Commercial District - This district provides for local commercial uses in a redeveloping neighborhood generally located in established retail centers of those neighborhoods. The uses permitted are generally for neighborhood uses, plus additional limited manufacturing uses that reflect the character of that commercial area.

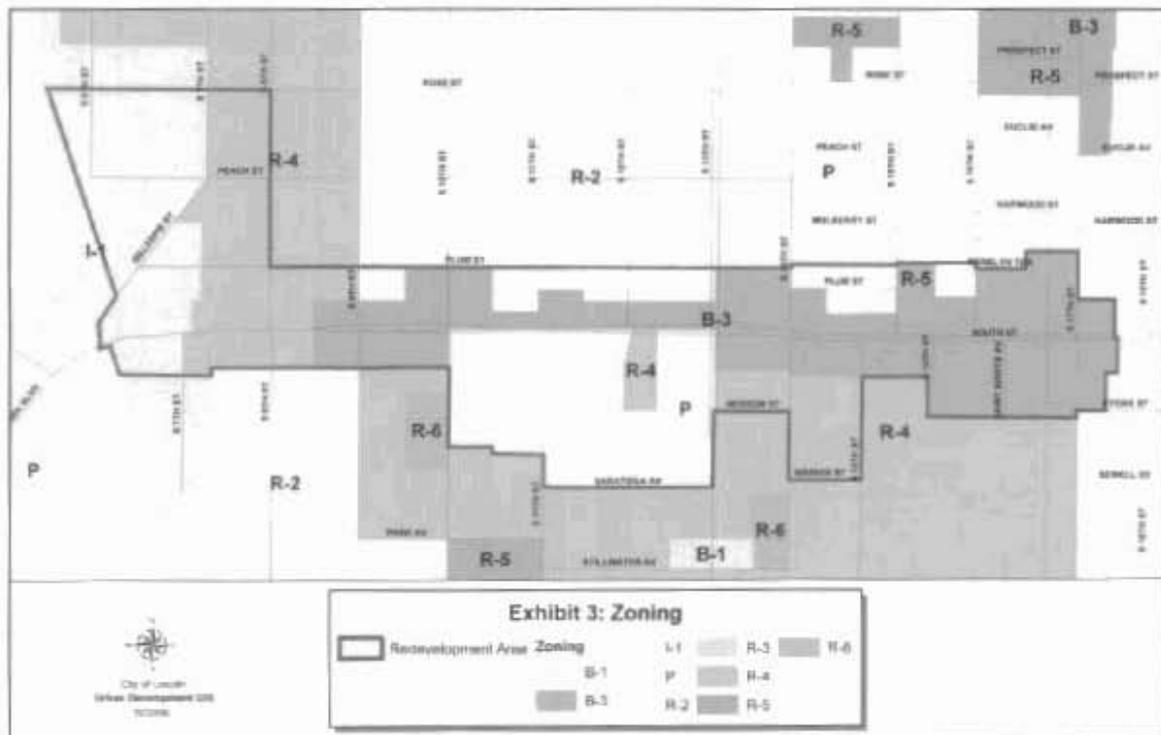
I-1 Industrial District - This district is for a developing stable or redeveloping area representing light and heavy industrial uses and having a relatively high intensity of use and land coverage.

P Public Use District - This district is intended to identify real property presently owned and used by any governmental entity, including local, state, or federal governmental units, and put to some form of public use.

R-2 Residential District - This district is intended to provide a generally stable residential use in areas of the city that are largely developed. With a gross density of generally three to five dwelling units per acre, this district permits single- and two-family dwellings and supportive community services, such as parks, playgrounds, schools, libraries, and churches.

R-4 Residential District - This district is intended to provide a stable area of residential use at a gross density in the range of three to five dwelling units per acre. It is anticipated that some redevelopment will occur in this district. The use of the district includes single- and two-family dwellings, plus support facilities, such as schools, parks, community buildings, and churches.

R-5 Residential District - This district is intended to provide a redeveloping area of moderate residential density of between six and ten dwelling units per acres. This district provides for single-family, two-family, and multiple and townhouse residential uses, plus support facilities such as schools, parks, community buildings, and churches.



Parks/Trails

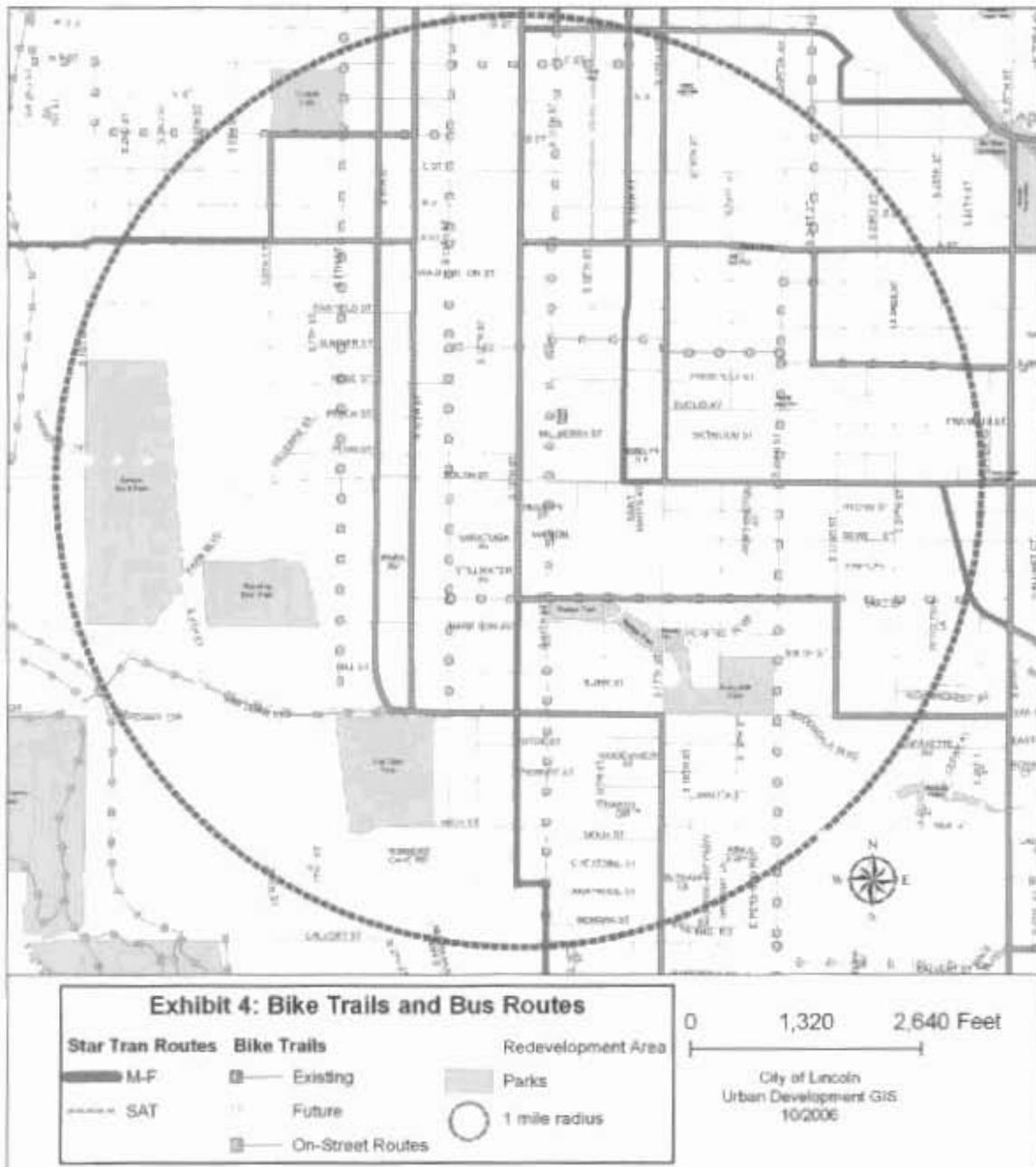
There are no parks within the Redevelopment Area, but, there are a number of parks within a one mile radius (See Exhibit 4). For example, Peach Park, a small neighborhood park, is located just north at 14th & Peach Streets. South of the Redevelopment Area, within one mile, is Stransky Park at 17th & Perkins Blvd, Irvingdale Park, which is directly south of Stransky Park, and Rudge Park at 13th & Lake Streets.

Three north-south, on-street bike routes run through the Redevelopment Area, on 8th, 11th, and 14th Streets. The area is also served by two existing bike trails. The north-south Salt Creek Levee Bike Trail is located just west of the Redevelopment Area and the east-west Bison Trail is located along Van Dorn Street at 9th Street to the south of the Redevelopment Area.

Two future trails have been identified adjacent to the Redevelopment Area. The Jamaica North Trail will travel north-south along 4th Street, and will be connected to the Salt

Creek Levee Trail. The second trail will connect to the current Bison Trail at 10th & Van Dorn, travel east to 13th Street, and then south along 13th Street

The 2030 Lincoln Lancaster County Comprehensive Plan states that planning for future bike trails should be guided by the goal of having a bike trail within one mile of all residences in the city.



Public Facilities

Three public facilities are located within the Redevelopment Area. Saratoga Elementary School is at 13th & Saratoga Streets. Trabert Hall and Lancaster Manor are located in the heart of the area, along South Street between 10th and 12th Streets. Trabert Hall houses

various county and non-profit agencies and Lancaster Manor is a nursing home. Both are owned by the Public Building Commission. Bryan LGH Medical Center West is located at 2300 S. 16th Street, adjacent to the Redevelopment Area.

South Street Improvement Project

In April, 2005, the Urban Development Department contracted with the Clark Enersen Partners to provide streetscape design services for South Street between 9th to 17th Streets as part of an overall improvement project. Focus groups and public meeting were held to get input from business owners and residents about the future of South Street.

Taking this information and working with City staff, the consultant put a vision together for South Street that includes signage and banners, landscaping, stamped and colored crosswalks at 9th, 10th, and 13th Streets, irrigation, street furniture, and ornamental lighting. A small plaza area is also planned at 14th & South Street on the north side. Project implementation began in March, 2007.

Other improvements include a resurfacing and new concrete roadway, new curb and the elimination of the “kink” at 14th Street. Water mains and storm sewer are also being replaced as part of this project. New traffic signals will be installed at major intersections.

As the design for the project continued, Urban Development Staff worked with a core group of business and property owners, neighborhood residents and Saratoga School Community Learning Center in establishing the South Street Business and Civic Association (SSBCA).

Transportation

South Street is the primary east-west thoroughfare which bisects the area. South Street experiences Average Daily Trips (ADT) of approximately 7,300 vehicles on the west end and 20,900 on the east end at 17th Street. The land uses adjacent to South Street include commercial, public property, and some residential. South Street is not only a vital link to the city's transportation network; it is also a vital link to the businesses in the Redevelopment Area. As mentioned above, improvements between 9th & 17th Streets have been designed with transportation in mind that include road resurfacing, new curb, and the elimination of the “kink” at 14th Street. Construction began in March, 2007, with completion anticipated in late summer.

Primary north-south arterial streets intersecting South Street include 9th Street, 10th Street, 13th Street, 16th Street, and 17th Street. Ninth and 10th Streets operate as a one-way pair, with 9th Street southbound and 10th Street northbound. These roadways have an ADT of 16,500 and 16,800 respectively and serve as connecting roadways between Interstate I-180 and Hwy 2. Maintaining 9th and 10th Streets is vital to movement of vehicles and delivery of goods. Currently no major improvements are planned on these roadways.

Another primary north-south arterial street intersecting South Street is 13th Street. Thirteenth Street is a four lane, two way road way north of South Street tapering down to a three-lane roadway south of South Street. However, there are separate left turn lanes for both north and southbound traffic at South Street. Currently, 13th Street has an ADT

of 13,700 vehicles and connects the downtown with Hwy 2. Currently no major projects are planned on this roadway.

North of South Street, 16th and 17th Streets operate as a one-way pair with 16th Street southbound and 17th Street northbound. Sixteenth Street ends at South Street. South of South Street, 17th Street is a two-way street. These roadways have an ADT of 9,100 and 10,000 vehicles respectively, and connect neighborhoods in near south Lincoln and the downtown. Although 16th & 17th Streets do not connect major highways or interstates, they are a valuable part of the transportation network because they provide an efficient route into the downtown for employment or entertainment purposes. Currently no major improvements are planned on these roadways.

Access Issues

Numerous driveways on arterial streets degrade traffic flow because they can create conflict points. When vehicles enter or exit traffic flow it can impede the flow of traffic and create safety hazards for both vehicles and pedestrians. Vehicles entering and exiting driveways on arterial streets generally result in a higher number of crashes. When working with new development projects consideration should be given to minimize the number of driveways on arterial streets as redevelopment projects occur.

Parking

The South Street Business & Civic Association, other business and property owners and residents from the abutting neighborhoods have made it clear that their number one transportation priority is parking. The need for parking means accommodating employees who work in the area as well as visitors and shoppers. Generally, on-street parking is prohibited on arterial streets; however, 15 minute parking is currently permitted on the north side of South Street from 14th Street to 15th Streets. On-street parking is also available in the residential areas north and south of South Street.

Two very congested areas are the commercial strip area on the north side of South Street, between 14th & 15th Streets and the South Street Plaza block between 16th & 17th Streets. Some employees and visitors to the businesses located on the 1400 block of South Street must park to the south across South Street, requiring them to cross South Street without the protection of a designated pedestrian crossing. Others park to the north in the neighborhood. The same situation is faced by businesses at the very busy South Street Plaza.

The field survey completed by the blight study consultant identified inadequate parking conditions throughout the Redevelopment Area.

Sidewalk and Pedestrian Activity

With the exception of a few locations, sidewalks in the proposed Redevelopment Area are in place. However, in some instances, sidewalks and/or ramps do not conform to American Disabilities Act (ADA) standards. As redevelopment projects are brought forward, particular attention should be made to ensure that current sidewalks and ramps are brought into conformance with ADA standards.

In addition to addressing sidewalk conditions, the Public Works Department will continue to work with business and residential property owners to further reduce or possibly eliminate the number of "sidewalk gaps" in the Redevelopment Area.

Seven percent of the parcels throughout the Redevelopment Area lack sidewalks in areas zoned residential, commercial and industrial. In addition, fourteen percent of the parcels were determined by the consultant to have sidewalks in “fair” to “poor” condition.

The Blight & Substandard Study identified an unsafe and limited pedestrian circulation system in particularly in the industrial/residential areas on the north side of South Street, west of 8th Street.

Public Transportation Services

The Redevelopment Area is served by four StarTran routes:

- #6 “Arapahoe” Route – travels through the area via 9th and 10th Streets;
- #16 “Irving ” Route and #19 “Salt Valley” – dissect the area via 13th Street; and
- #3 “College View” Route – serves the eastern portion of the area by operating along 16th and 18th Streets and turning eastward on South Street.

The area is well served by bus routes as depicted in Exhibit 4. Future redevelopment projects should consider the needs of public transit that include sidewalk connections to transit stops, bus turnouts and bus shelters.

Utilities

The basic infrastructure is in place within the Redevelopment Area; however, as a result of age and continued development in the area, it is facing increasing demands.

The South Street Redevelopment Area is served by the following utilities:

- Sanitary Sewer (underground);
- Storm Sewer (underground);
- Water Lines (underground);
- Gas Lines (underground);
- Electrical Conduits (overhead and underground);
- Telephone Conduits (overhead and underground); and
- Cable Conduits (overhead and underground).

Sewer and Water

As part of the South Street Improvement Project, water mains are being replaced from 8th to 17th Street on the south side of South Street, and from 12th to 17th Street on the north side of South Street. Storm sewer will be replaced in South Street between 14th and 16th Streets. New traffic signals will be installed at major intersections. Minor wastewater repairs will also be made.

Water System

The existing system is aged and experiences a number of broken mains. It is also sized for residential land use. In addition, South Street is the border between two pressure districts. This results in a number of long dead-end mains on the south side of South Street.

All of these deficiencies will be corrected with the design of a replacement main that will be constructed in conjunction with the paving work as part of the South Street Improvement Project which began in March, 2007.

Sanitary Sewer System

The sanitary sewer pipe is vitrified clay pipe (VCP). The age of the pipe is roughly 50 to 70 years old. Many spot repairs have been made to the sanitary sewer mains in this area. Manholes are primarily made of brick. Although some are in poor condition, none are scheduled for replacement at this time.

A television inspection has been performed over the majority of the sanitary sewer mains in this area from 2000 to the present.

Street Lighting

The light poles on South Street are as follows:

- 6th – 9th – HPSV luminaries on galvanized steel poles set in 1989 in good condition;
- 9th – 13th – HPSV luminaries on galvanized steel poles set in 1992 in good condition;
- 13th – 15th – HPSV luminaries on painted steel poles set in 1947 in very poor condition.

All other lights in the area - not on South Street - are HPSV luminaries on wooden poles set on various dates and in fair to good condition.

Historic Significance

The South Street Redevelopment Area has been home to a number of major Lincoln establishments for over a century. Perhaps the earliest of these was the Saint Elizabeth Hospital, founded by the Catholic Sisters of St. Francis in the old Buckstaff House in 1889 as Lincoln's first general hospital. By 1920, a four-story red-brick hospital extended over 430 feet along the south side of South Street between 11th and 13th Streets – probably Lincoln's largest building, in terms of square footage, in that time.

After the new St. Elizabeth Medical Center was built on 70th Street in 1969, the old hospital served for many years as Lancaster Manor. Remaining from the old hospital are Trabert Hall – the nurse's residence of the late 1920s – and St. Francis Church – built as the chapel wing in the early 1920s. Saratoga Elementary School was the hospital's neighbor as early as 1893. The central entrance portion of the current elementary school building dates from 1923, with several later additions including the north gymnasium, built just a few years ago.

Lancaster Manor stands on the site of the Nebraska Orthopedic Hospital, established in 1905, between 10th and 11th on the south side of South Street. At the west end of the Redevelopment Area, Gooch Mill was first established in 1908. Herbert Gooch, the founder, also purchased the *Lincoln Star* newspaper in 1910.

Many smaller businesses, from grocery and drug stores to restaurants and gas stations, have been located along South Street. Wendelin Baking Company was the largest of

these establishments, building a handsome plant of orange-brick storefronts on the north side of South Street, west of 15th Street, in the late 1920s.

A block south of South Street, Lincoln General Hospital was constructed by the City of Lincoln in 1923.

Blight and Substandard Determination Study

The South Street Business and Civic Association contracted Hanna Keelan Associates in January 2006 to conduct a blight and substandard study for the South Street area (see Exhibit 1). The consultant worked with Urban Development staff and in July, 2006, the Lincoln City Council declared the area blighted and substandard based on the study.

An analysis was made of each of the substandard and blighted factors listed in the Nebraska legislation to determine whether each or any were present in the Redevelopment Area and, if so, to what extent.

Substandard Factors

The Community Development Law defines a substandard area as one in which there is a predominance of buildings or improvements, nonresidential or residential, with the presence of:

The consultant did an evaluation which included a detailed exterior structural survey of 197 structures, a parcel-by-parcel inventory, conversations with pertinent City of Lincoln department staff and a review of available reports and documents containing information which could be substantiate existence of substandard conditions.

Of the four Substandard Factors set forth in the Nebraska Community Development Law, three factors in the South Street Redevelopment Area were found to be present to a strong extent, while the remaining factor was present to a reasonable, but less significant extent.

The substandard factors, present in the Area, are reasonably distributed. The factors determined to have a strong presence are dilapidated/deteriorating structures, the age or obsolesce of structures, and the existence of conditions which endanger life or property by fire and other causes. The factor inadequate prevision for ventilation, light, air, sanitation or open space, was determined to be reasonably substandard.

**TABLE 2
SUBSTANDARD FACTORS
SOUTH STREET REDEVELOPMENT AREA
LINCOLN, NEBRASKA**

1. Dilapidated/deterioration	■
2. Age of obsolescence	■
3. Inadequate provision for ventilation, light, air, sanitation or open spaces	○
4. Existence of conditions which endanger life or property by fire and other causes	■

- = Strong Presence of Factor
- = Reasonable Presence of Factor
- = Little or No Presence of Factor

Source: Hanna:Keelan, P.C. 2006

Blight Factors

As set forth in Section 18-2103 (11) Nebraska Revised Statutes (Cumulative Supplement 19914), blight area shall mean “an area, which by reason of the presence of the following:

While it may be concluded that the mere presence of a majority of the stated factors may be sufficient to make a finding of blighted and substandard, this evaluation was made on the basis that existing blighted and substandard factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary to assist with any development or redevelopment activities.

Secondly, the distribution of blighted and substandard factors throughout the Redevelopment Area must be reasonably distributed so basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.

Of the 12 factors set forth in the Nebraska Community Development Law, nine are present to a strong extent, and one is present to a reasonable, but more limited extent. The factor of tax or special assessment exceeding the fair value of land was determined not to be a blighting factor. Defective or unusual condition of title was not reviewed. The blighting factors, which are present, are reasonably distributed throughout the South Street Redevelopment Area.

**TABLE 3
BLIGHT FACTORS
SOUTH STREET REDEVELOPMENT AREA
LINCOLN, NEBRASKA**

- 1. A substantial number of dilapidated or deteriorating structures. ■
- 2. Existence of defective or inadequate street layout ○
- 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness. ■
- 4. Unsanitary or unsafe conditions..... ■
- 5. Deterioration of site or other improvements..... ■
- 6. Diversity of ownership. ■
- 7. Tax or special assessment exceeding the fair value of land. ●
- 8. Defective or unusual condition of title..... □
- 9. Improper subdivision or obsolete platting ■
- 10. The existence of conditions which endanger life or property by fire or other causes..... ■
- 11. Other environmental and blighting factors..... ■
- 12. One of the other five conditions..... ■

- = Strong Presence of Factor
- = Reasonable Presence of Factor
- = Little or No Presence of Factor
- = Not Reviewed

Source: Hanna:Keelan, P.C. 2006

Reasonable Presence of Factor

It was the conclusion of the Consultant retained by the South Street Business & Civic Association that the number, degree, and distribution of blighting factors are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the Nebraska Community Development Law. It was also the opinion of the Consultant, that the findings of the "Blight and Substandard Determination Study" warrant designating the Redevelopment Area as "substandard" and "blighted."

REDEVELOPMENT PLAN

With input from the South Street Business & Civic Association, residents and others with interest in the corridor, the following goals have been identified to create a vibrant, attractive, friendly and safe place for residents, businesses and visitors to the area:

1. Redevelopment should occur in ways that strengthen and support the existing business community in the South Street Redevelopment Area;
2. Establish and implement a set of design guidelines for commercial redevelopment along South Street;
3. Improve street amenities such as landscaping, street lighting, street furniture along the corridor and in conjunction with new development;
4. Enhance the pedestrian experience in the Redevelopment Area; and
5. Improve sense of security by implementing design features that include lighting and the creation of open spaces with a high degree of visibility.

Redevelopment Activities: Public Improvements

South Street Commercial Design Principles

Quality urban design is understood as a good return on investment. Increasingly true today is that people are seeking more vibrant, walkable, mixed-use living and shopping arrangements. Such an atmosphere can be provided by recognizing the importance of infrastructure enhancements, redevelopment opportunities, and streetscape design.

A design committee that includes members of the SSBCA, and City staff considered the challenge of making South Street a safe and successful corridor that promotes current business, maintains a unified theme, invites pedestrians, and welcomes new business investment. Of high priority was the safety of all pedestrians in the area and the need for additional parking to serve visitors and business needs. The following is intended to invite a diversity of growth and provide inviting and safe public spaces.

1. The Redevelopment Plan should identify mixed-use redevelopment opportunities, including retail, commercial and housing;

2. It is important to provide pedestrians from the abutting neighborhoods clear and comprehensible paths to the South Street corridor;
3. The on-street parking on the north side of South Street between 14th & 15th Streets maintains comfortable separation between pedestrians and through lanes while providing important parking for businesses in the area. Replacing the parking with a landscaped area would encourage greater vehicular speeds through the district which is neither necessary nor desirable;
4. New projects should strengthen the pedestrian environment by providing safe and attractive sidewalks, including clear, convenient connections to building entrances. Locating the buildings at or close to the front property line, with windows and entrances toward the sidewalk is desirable; when that cannot be achieved, parking lots should be well-landscaped along the sidewalk edge and entrances should be visible and convenient to the sidewalks;
5. New projects should attempt to locate parking along the side or rear of the buildings.

Redevelopment projects in the South Street corridor should reflect these principles; redevelopment agreements in the area should include consultation with and assistance from Urban Development and other City staff in achieving these concepts. Agreements should incorporate design review by Urban Design Committee, to assist developers and to advise staff and the Mayor of Lincoln where these public purposes have been met.

Streets and Alleys

South Street is to be rebuilt, as part of the South Street Improvement Project, from 9th to 17th Streets. Also as part of the improvements, the signalized intersections will receive new mast arm traffic signals rather than span-wire traffic signals.

1. Coordinate improvements with the Public Works Department in the mostly industrial area north of South Street and west of 8th Street to pave the graveled streets and address drainage issues; and
2. Dedicate and build public alleys as needed and pave alleys in conjunction with redevelopment activities.

Sidewalks and Pedestrian Movement

Because of traffic movement (especially east-west), pedestrian movement is difficult from residential areas north and south of South Street, when attempting to access public and commercial facilities located on the opposite side of South Street.

Regarding sidewalks, *The Blight and Substandard Determination Study* identified 35 percent of the parcels within the Redevelopment Area as being in excellent condition. Seven percent of the parcels throughout the Redevelopment Area lack sidewalks in residential, commercial and industrial zoned areas. In addition, fourteen percent of the parcels were determined by the consultant to be in "fair" to "poor" sidewalk condition.

1. Complete additional surveys and repair and replace sidewalks as necessary, especially as part of redevelopment projects;

2. Construct sidewalks where none exist, mostly in the industrial/residential area north of South Street and west of 8th Street; and
3. Complete further pedestrian vehicular surveys and eliminate conflicts, to the extent possible, particularly as redevelopment projects are undertaken.

Parking

The South Street Business & Civic Association has indicated that the empty lot at 14th & Plum Streets best suits their needs for much needed parking. Currently, the lot is for sale. However, because the asking price is over three times the assessed value, the City cannot purchase the property. To improve the availability of parking, the following actions should be undertaken:

1. City to assist in identifying and/or providing parking to serve the South Street business corridor;
2. Pave gravel parking areas within Redevelopment Project Area;
3. Improve parking availability, particularly in conjunction with redevelopment projects; and
4. Keep existing parking along South Street, north side between 14th & 15th Streets to serve local businesses.

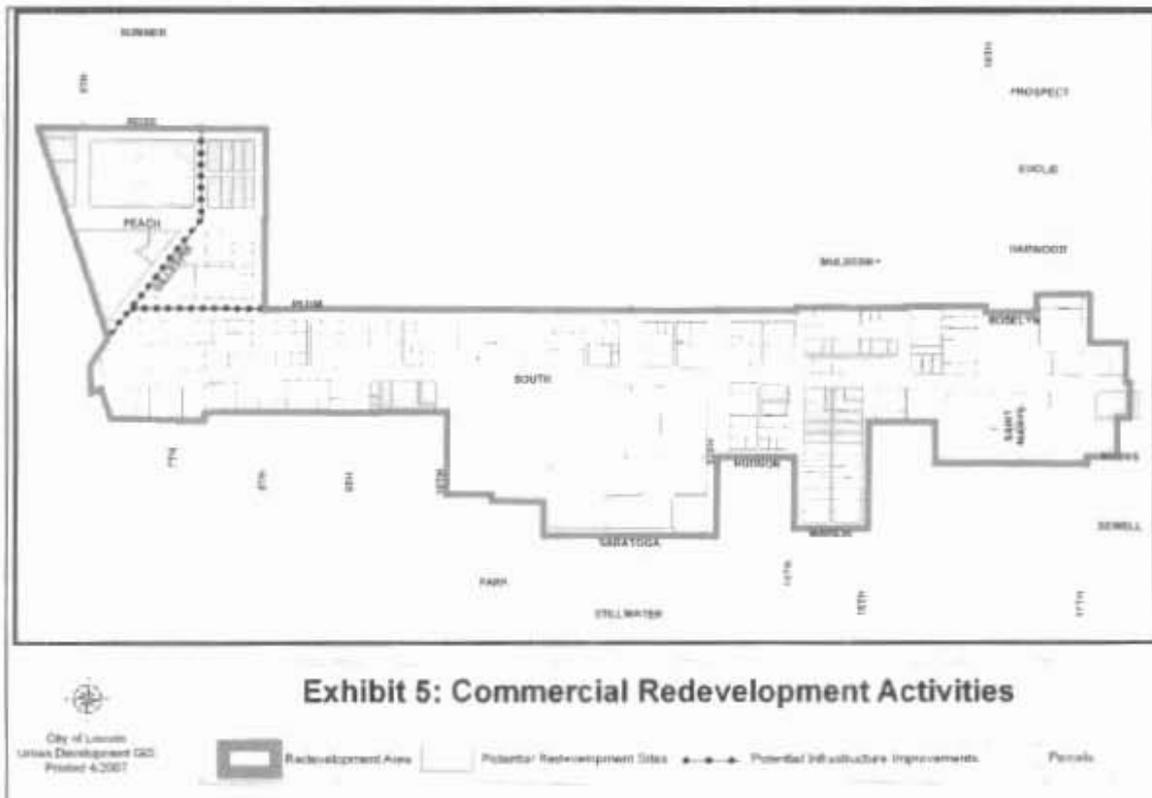
Public Utilities

Street Lighting: Most of the street lighting within the Redevelopment Area is luminaries on galvanized steel poles and in good condition. Based on needs identified in the Existing Conditions section, the following projects should occur:

1. Replace 13th-15th HPSV luminaries on painted steel poles set in 1947 which are in very poor condition; and
2. Evaluate all other lights in the area. Lighting that is not on South Street is HPSV luminaries on wooden poles set on various dates and in fair to good condition.

Streetscape Beautification

As part of the South Street Improvement Project, streetscape amenities will be added to the corridor. Elements include ornamental lighting, landscaping, corner nodes, signage/banners, and benches, stamped colored concrete at major intersections.



Redevelopment Activities: Commercial and Industrial

1. Support commercial redevelopment at a property located at: Lots 1, 2, 3, 4, 10, 11 and 12, and Lot 9 except the West 3.8 feet, all in Block 5, South Lincoln; and Lots 1 through 22, Block 9, together with the vacated East-West alley adjacent, Lots 1 through 14, Block 10, and Lots 11 through 16, Block 7, Woods Brothers Country Club Park, Lincoln, Lancaster County, Nebraska. General location: 651 Peach Street, 621 and 745 Rose Street.
 - Acquisition of property described above from willing seller to complete public improvements;
 - Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.

2. Support commercial/industrial redevelopment efforts at: Lots 1 through 9, and Lots 33 and 34, Block 2, South Park Addition, Lincoln, Lancaster County, Nebraska, except streets. General location: 2101 S. 10th Street.

- Acquisition of property described above from willing seller to complete public improvements;
 - Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.
3. Support commercial redevelopment efforts at: Lots 1, 2 and 3, Block 1, Imhoff's Addition, except streets; and Lots 1 through 5 and Lots 20 through 24, Block 2, Central Park, Lincoln, Lancaster County, Nebraska. General location: 1325 and 1433 South Street.
- Acquisition of property described above from willing seller to complete public improvements;
 - Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.
4. Support commercial redevelopment efforts at Lots 11 through 20, Block 1, Electric Park Addition, Lincoln, Lancaster County, Nebraska. General location: 1465 Plum Street.
- Acquisition of property described above from willing seller to complete public improvements;
 - Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.
5. Support commercial redevelopment efforts at Lots 1 through 5, Block 3, Electric Park Addition, Lincoln, Lancaster County, Nebraska. General location: 1516 South Street.
- Acquisition of property described above from willing seller to complete public improvements;

- Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.
6. Support commercial redevelopment efforts at Lots 9, 10, 11, 12, 15 and 16, Block 1, Ryons' Addition, Lincoln, Lancaster County, Nebraska, except streets. Generally located at: 1701 South Street and 1724 Ryons Street.
- Acquisition of property described above from willing seller to complete public improvements;
 - Construction of public utilities on-site including sanitary sewer extension, water main extension;
 - Construction of public roads, alleyways and parking;
 - Sidewalk and approach construction in the public right-of-way;
 - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
 - Demolition of existing structures;
 - Secure easements if needed; and
 - Relocation of tenants, if any.

Redevelopment Activities: Residential

Improving the quality and viability of residential areas is a guiding redevelopment principle for the South Street Redevelopment Area. To the degree feasible, projects in residential areas should:

- Separate residential areas from conflicting land uses;
- Provide public infrastructure and park facilities;
- Limit non-residential traffic in residential areas;
- Rehabilitate or remove existing deteriorating and substandard housing;
- Expand the housing supply available in the Redevelopment Area;
- Encourage housing that is affordable, particularly for low and moderate income households; and
- Maximize opportunities for homeownership in the Redevelopment Area, especially for persons of low and moderate income.
- When possible, utilize rehabilitation programs available through the City of Lincoln to improve overall housing conditions.

The replacement and expansion of affordable housing is another residential redevelopment principle for the South Street Redevelopment Area. The City and redevelopers should work closely with private lenders, the Nebraska Investment Finance Authority, Housing Authority of Lincoln and private developers to expand the supply of affordable housing and maximize homeowners opportunities in the Redevelopment Area.

1. To maximize the potential for new residential development in the Redevelopment Area, parcels may be acquired by the City and made available individually or assembled for ultimate disposition. Parcels identified for acquisition for residential redevelopment are included in Appendix D. Additional voluntary acquisitions that are identified during Plan implementation that are consistent with, and further accomplish the purposes of this Redevelopment Plan, will be added to Appendix D and made part of this Plan by Executive Order of the Mayor. Project elements could include:
 - Property acquisition and relocation.
 - Demolition.
 - Site preparation.

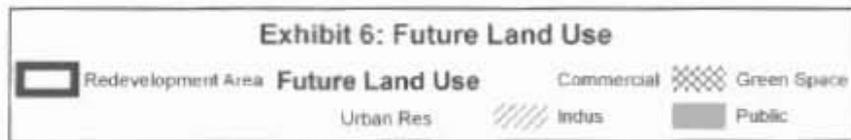
Redevelopment Activities: Removal of Blighted and Substandard Properties

The *Blight and Substandard Determination Study* identifies approximately 29 percent of all structures to be substandard and having a major deficiency. By acquiring substandard and blighted properties and assembling these parcels of land, the City can create marketable parcels of sufficient size to attract the interest of the private sector. Sale of assembled parcels will assist the private sector in realizing economies of scale on a project while making it possible to improve design through planned, integrated developments. The initial impact will be to eliminate the blighting influences caused by substandard housing, other structures and properties that are inconsistent and incompatible with surrounding land uses. Parcels to be acquired are included in Appendix E. Additional voluntary acquisitions that are identified during Plan implementation that are consistent with, and further accomplish the purposes of this Redevelopment Plan, will be added to Appendix E and made part of this Plan by Executive Order of the Mayor.

1. Substandard housing, commercial/industrial structures and properties contributing to substandard and blighting influences in the Redevelopment Area, including structures that are inconsistent or incompatible with existing land uses, will be acquired and made available for redevelopment. Project elements could include:
 - Property acquisition and relocation.
 - Demolition.
 - Site preparation

Future Land Use

Future land use was determined by reviewing the future land use map in the *2030 Lincoln City/Lancaster County Comprehensive Plan* (See Exhibit 6). The overall population density of the Redevelopment Area will generally remain the same. Land coverage and building density will increase moderately.



Redevelopment Processes

Public improvements and redevelopment activities may require construction easements; vacation of street and alley right-of-way; temporary and permanent relocation of families, individuals and businesses; demolition, disposal/sale of property; and site preparation (may include driveway easements; paving driveways, approaches and sidewalks outside property line; relocation of overhead utility lines; and re-routing/upgrading of underground utilities as needed). The processes for these activities include the following:

Property Acquisition: The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations (see Appendix A Land Acquisition Policy). However, if voluntary agreement is not possible, the City may institute eminent domain proceedings.

Relocation: Relocation may involve the temporary or permanent relocation of families, individuals or businesses to complete redevelopment activities. Relocation will be completed according to local, state and federal relocation regulations (see Appendix B, Relocation Assistance).

Demolition: Demolition may include clearing sites on property proposed for public improvements; necessary capping, removal or replacing utilities; site preparation; securing insurance and bonds; and taking other necessary measures to protect citizens and surrounding properties. Measures to mitigate environmental findings may also be necessary, if determined by site testing.

Disposal/Disposition: This includes the sale of land to private developers for redevelopment purposes. Developers will be selected in an equitable, open and competitive proposal process according to the Land Disposition Procedures outlined in Appendix C.

Requests for Proposals: Architects and engineers will follow the City's standard selection processes to design the public facilities and improvements. Primary contractors will also be competitively selected. The selection process involves issuing an Invitation for Redevelopment Proposals for the entire redevelopment area and the selection of developers is facilitated by the City's Urban Development Department.

Estimated South Street Expenditures:

Activity	Private Sector Expenditures	Public Sector Expenditures
Infrastructure: Storm Water Sanitary Sewer		\$147,489
Public Improvements Road Resurfacing, Street Lights, Sidewalks		\$1,547,929
Streetscape Improvements and Design		\$399,442
Commercial Redevelopment	\$5,500,000	\$636,000
TOTAL	\$5,500,000	\$2,730,860

Conformance with the Comprehensive Plan: The 2030 Lincoln-Lancaster County Comprehensive Plan, adopted May 28, 2002, as amended, represents the local objectives, goals and policies of the City of Lincoln. The South Street Redevelopment Plan was developed to be consistent with the Comprehensive Plan.

Financing: The primary burden for revitalization of the Redevelopment Area must be on the private sector. The City must provide public services and public improvements and participate where necessary in the redevelopment process, but the needs of the area are beyond the City's capacity to do alone. Financing of proposed improvements will require participation by both the private and public sectors. Where appropriate, the City may participate by providing financial assistance for the rehabilitation of structures. The development of new complexes and the reuse of existing structures will be the responsibility of the private sector.

Sources of funding may include:

- Special Assessment Business Improvement Districts;
- Private Contributions;

- Sale of Land Proceeds (Proceeds from the sale of land acquired for redevelopment, as identified in the Redevelopment Plan, shall be reinvested in the Redevelopment Area);
- Municipal Infrastructure Redevelopment Fund (MIRF);
- Community Development Block Grants (CDBG);
- Home Investment Partnership Act (HOME);
- HUD Section 108 Loan Program;
- Community Improvement (Tax Increment) Financing (Ad Valorem Tax);
- Capital Improvements Program Budget;
- Federal and State Grant;
- Interest Income; and
- Advance Acquisition Fund – property rights/easements, public facility site acquisition.

Project activities will be undertaken subject to the limit and source of funding authorized and approved by the Mayor and City Council.

According to the Community Development Law, any ad valorem tax levied upon real property in the redevelopment project for the benefit of any public body shall be divided for a period not to exceed 15 years after the effective date of such provision, by the governing body as follows:

- That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body; and
- That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of the interest on, and, any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies.

The effective date for the Community Improvement Financing provisions of *The South Street Redevelopment Plan* is declared to be the date rehabilitation, acquisition, or redevelopment of substandard and blighted property begins.

Appendix A

Land Acquisition Policy Statement

I. ADMINISTRATIVE ORGANIZATION FOR LAND ACQUISITION OPERATIONS

- A. All land acquisition functions, including negotiations and closings, will be performed by the City of Lincoln, or its agents. The conduction of condemnations will be performed by the Legal Counsel for the City. The staff is experienced and capable in the conduct of acquisition programs.**
- B. The City of Lincoln approved land acquisition policies and procedures within the limits prescribed by the statutes of the State of Nebraska. Each individual property purchase, and the disbursement of payment, therefore, is approved by the Mayor. Condemnation proceedings are instituted by the City Law Department only after all efforts to reach a negotiated settlement have failed. Legal services will be performed by the Legal Counsel for the City.**

II. POLICIES

- A. Real Estate appraisals are made by staff or selected fee appraisers. Second real estate appraisals, if required, may also be by fee appraisers.**

The following are policies for Real Property Acquisition:

- 1. Every reasonable effort will be made to expeditiously acquire real property by negotiation.**
- 2. Real property will have separate appraisals before initiation of negotiations and the owner, or his representative, will be given the opportunity to accompany the appraisers on their inspection tour of the property.**
- 3. Before initiation of negotiations for real property, the City's Reviewing Appraiser will establish an amount considered to be just compensation and the City shall make prompt effort to acquire the property for that amount.**
 - a. The established amount shall not be less than the approved appraisal of fair market value for the property.**
 - b. Any decrease or increase in the fair market value of the property, prior to the date of valuation, caused by public improvement; by physical deterioration within reasonable control of the owner, has been disregarded by the City and by the Appraisers in making the determination of fair market value.**
 - c. The City's negotiator shall provide the owner with a written statement summarizing the basis for the amount established as just compensation.**

Where appropriate, compensation for property acquired and for damages to any remaining real property shall be separately stated.

4. No owner shall be required to surrender possession until the City of Lincoln pays the agreed purchase price, or deposits with the Court the amount of award determined by the Condemnation Appraisers.
 5. Improvements will be scheduled so the owner or tenant shall receive a minimum 90 days written notice before having to move. Every effort will be made by the City to provide such notice as is required without undue hardship to the owner or tenant. (This is applicable to total acquisition of property.)
 6. If Owner or Tenant is permitted to rent property, the amount of rent shall not exceed fair rental value of subject property.
 7. The City of Lincoln will not take any action coercive in nature to compel an agreement on price for property.
 8. If acquisition must be by eminent domain, the City of Lincoln shall institute formal condemnation proceedings. The City shall not intentionally make it necessary for the owner to institute legal proceedings to prove fact of taking of his real property.
 9. If the owner feels the City of Lincoln's offer does not represent the true value of his property, he may refuse to accept it. He should then provide evidence concerning value, or damage, that warrants a change in the City's determination of just compensation. Should the City determine the additional information is valid, the price will be adjusted accordingly.
 10. If as a result of the real estate acquisition there is a portion of your property which is considered by the City of Lincoln to be an uneconomic remnant, you have the right to request an offer from the City of Lincoln to acquire the remnant.
- B. Owner will be reimbursed for the following expenses incidental to conveyance of real property:
1. Recording fee, transfer taxes and similar expenses.
 2. Penalty cost for repayment of any pre-existing recorded mortgage encumbering real property, provided the mortgage was entered into in good faith.
 3. Pro-rate portion of real property taxes paid which are allocable to a period subsequent to date of vesting title, or effective date of possession, whichever is earlier.
 4. The cost of abstract continuation and/or evidence of assurance of title.
 5. Litigation expenses such as legal, appraisal, engineering fees, etc., when:
 - a. Court determines that condemnation was unauthorized.

- b. City of Lincoln abandons a condemnation.
 - c. Property owner brings inverse condemnation action and obtains award of compensation.
- C. If a separate fixture appraisal is obtained, it shall contain the following immovable fixtures and personal property:
 - 1. Determination of division of appraisal coverage, enumerating and classifying improvements in-place.
 - 2. Appraisal of improvable fixtures, correlating their findings with both real estate appraisers.
- D. All appraisal contracts shall provide terms and conditions and fix the compensation for expert witnesses. These services will be utilized by the City of Lincoln to the extent necessary.
- E. Both real estate acquisition appraisals and immovable fixture appraisals will be reviewed by the City Appraisal Staff. All appraisals will be reasonable free of error and conferences with appraisers will ascertain that methods of approach and documentation are compatible, with no elements of value being omitted from consideration. City staff will conduct relocation interviews to verify ownership of certain fixtures and personal property claimed. Said claims will then be checked against existing leases and through interviews with fee owners.
- F. Preparation for acquisition includes:
 - 1. Preliminary title information supplied by local abstract companies; contents reviewed and entered in individual parcel folios.
 - 2. Individual parcel folios prepared; chronological activity indexed and all pertinent historical information entered.
 - 3. Basic forms of Real Estate Agreement (real estate, personal property and fixtures) reflecting policy for negotiations to acquire all classifications of property.
 - 4. Closing methods and policy determined.
 - 5. Policy for possession, property management, salvage and demolition, timetable of activities prepared.
 - 6. Closing statement form prepared together with such internal administration forms for notice to various units of inspection, accounting, property management, finance and legal counsel as may be required.
 - 7. Information letters prepared for distribution to all owners and tenants.
 - 8. Deed forms for conveyance of real estate, bill of sale forms for personal property, and condemnation forms for eminent domain procedure prepared.

(NOTE: Paragraphs G, H, and portions of I cover items of notice, relocation assistance, etc., relating to total property acquisitions as well as general policies.)

- G. The "single offer" system for acquisition will be utilized in all negotiations. The City will establish fair market value and be prepared to justify and substantiate the determination in the event it is challenged. Staff will present and explain forms, terms and conditions of purchase in personal interviews with each property owner and tenants. The date of this interview will establish the beginning of negotiations which regulates many relocation payments.

For the purpose of all negotiated transactions, the City will require conveyance of real estate by Warranty Deed or deed instrument sufficient to place marketable title in the City of Lincoln. Standard forms of such instruments conforming to Nebraska Law are on hand and will be used in every case. Each owner executing a Real Estate Agreement should furnish a current abstract of title as specified in said offer. Legal Counsel for the City will render an opinion of the condition of said title, and upon determination that in his opinion said title appears merchantable, will assist with the closing process. Title to all property will be vested in the City of Lincoln on the date of closing, which will also be the date of payment of the purchase price and the date of conveyance instruments. The City of Lincoln shall have the right to possession within 90 days of closing date, (or 90 days from date of written notice if later than closing date), or as provided in the Real Estate Agreement. A statement by a responsible City Official, resulting from an inspection of the property acquired, will be contained in each acquisition folio. This statement will precede payment and closing and must determine that all property purchased is present and in place in substantially the condition as of the date appraised.

- H. Immovable items attached to the Real Property, that would incur substantial economic damage if removed, will be negotiated for and acquired at the appraised value-in-place for continued use in the present location. A "Single Offer" at the maximum price will be offered the owner of such property, but if the owner elects to move any such appraised item it will be relocated rather than acquired and the appraised amount deducted. Until the business to be displaced has definitely located a relocation site, it is almost impossible to determine whether certain process fixtures can be relocated or should be acquired by the City of Lincoln. When such fixtures have been acquired, paid for, and a bill of sale conveyed, and the seller then finds it would have been desirable to have relocated them, it shall be the City of Lincoln's policy to reconvey such items to the original owner in return for the exact amount of value-in-place price paid for them, and then pay for their relocation. Under no circumstances will fixtures sold back to the original owner by the City of Lincoln be at salvage value, or any amount less than that paid for them. Generally, the terms and conditions of existing leases and pre-acquisition conferences with owners and tenants by all appraisers and City Staff will have clarified ownership.

NOTE: Process utilities that are service entrances and concealed utilities are ineligible for compensation as relocation expenses and will be treated as immovable fixtures. The utilities listed by the fixture appraiser as "Eligible for Relocation" formerly would have been compensated in relocation for those items. Therefore, process utilities are appraised even though eligible for relocation compensation. However, the claimant may still enter a claim for payment for replacement of those eligible utilities at the new location providing the appraised value-in-place of the claimed utilities is deducted from the relocation claim.

Immovable fixtures and process utilities not appraised will be handled through the direct loss of property process. It is expected that claims for severance damages caused by partial taking will be minimal.

All fixtures and improvements appraised and acquired become the property of the City of Lincoln as clarified in the Real Estate Agreement and may not be removed by any other than authorized personnel or the demolition contractor.

- I. Upon thoroughly exhausting every avenue of negotiation available, the City of Lincoln will direct their Legal Counsel to prepare for the appropriation of all property to be acquired through eminent domain proceedings. Such petitions will be drafted by the Legal Counsel clearly defining the property to be acquired and the ownership thereof, land, improvements, immovable and movable property (if any) located therein, with such particularity that the petitions and the resulting action of the condemnation appraisers, or district court appeals, will clearly establish such ownership and rights to compensation. Owner-Occupants of dwelling units that may be eligible for the Replacement Housing Payment will be made aware that the award received through eminent domain proceedings (excluding interest thereon, or consequential damages), determined by the condemnation appraisers, or by District Court will become the basis for any Replacement Housing Payment to be claimed. Immediately preceding preparation of petitions, preliminary title information will be updated. Fee appraisals and fixture appraisals will be reviewed.

To the extent necessary, a reinspection of each property to be condemned will be conducted by the appraisers to determine that the property, on the date of taking, is in substantially the same condition as it was on the date of their original appraisal and that their opinions of value, therefore, hold true as of the date of taking. Each appraiser's testimony may then be presented to the condemnation appraisers and, in case an appeal is filed, to the District Court.

The City of Lincoln will not require any owner to surrender the right to possession of his property until the City pays or causes to be paid, to the Lancaster County Court the amount due each interest acquired for the taking thereof as determined by the condemnation. Immediately following the determination of the amount of the condemnation award for the property, or each separate interest therein taken, the City will direct that payment to be made in an amount equal to the City's offer by the issuance of warrants drawn in favor of those entitled thereto to the County

Court of Lancaster County, Nebraska, for payment of the condemnation appraiser's fees connected with the taking. Upon approval of the City's Legal Counsel, such warrants shall be deposited with the County Court and will represent full compensation for the property taken, subject to appeal to District Court. In any event, title to the property rests with the City of Lincoln as of the date of payment of the condemnation award, as does the right to possession thereof within 90 days of said date, provided compensation due has been paid as prescribed and proper notice given.

Nebraska statutes provide a 30-day period from the award of condemnation during which an appeal can be filed by either party. Acceptance of the award deposited with the County Court extinguishes the right of appeal as to that particular party. In the event an award is not claimed and no appeal is filed during the statutory period, the right to appeal is barred and the County Judge immediately causes the condemnation papers to be recorded in the records and transfer books of Lancaster County, Nebraska.

In case an appeal is filed, the County Judge forwards copies of all pertinent papers to the Clerk of District Court for subsequent trial and determination of the damages in the condemnation appealed from. At that point, the City of Lincoln, with or without the consent of condemnee, may petition the District Court to order payment immediately of the award appealed from, thereby reducing interest costs on the award while the case is being prepared and subjected to trial.

Although title and right to possession is vested in the City of Lincoln as of the date of payment of the condemnation award, no lawful occupant of property taken will be required to surrender possession without at least 90 days written notice (a separate notice in addition to the notice of condemnation) from the City of Lincoln stating the date on which possession will be required. Terms and conditions for temporary rental of condemned property for owner-occupants and tenants are detailed in the project property management policy.

District Court trial of all condemnation awards appealed will be defended by the City of Lincoln's Legal Counsel utilizing the services of contract appraisers as expert witnesses for the City. Compensation for witness services is provided for in existing appraisal contracts. After condemnation suits, awards and appeals therefrom have been filed, agreements as to value may be entered into by stipulation. Appeal cases will be diligently prosecuted to bring the case to trial and judgment in the shortest time possible and necessary for the preparation of an adequate defense. In this manner, and with the court directed partial payments of awards outlined previously, interest and court costs will be held to a minimum level.

In most instances, the sale of privately-owned property to the City of Lincoln for public purposes is considered "involuntary conversion" by the Internal Revenue Service, and the owner may not have to pay capital gains tax on any profit from the sale of the property to the City of Lincoln, if the money is reinvested in similar

property within two years. Internal Revenue Service Publication 549, entitled "Condemnations of Private Property for Public Use", is available from the IRS. It explains how the federal income tax applies to gains or losses resulting from the condemnation of property, or its sale under the threat of condemnation, for public purposes. IRS Publication 17, "Your Federal Income Tax", available from the IRS contains similar guidance. The owner is advised to discuss his particular circumstances with his personal tax advisor or local IRS office. State income tax considerations should also be discussed as appropriate.

Appendix B: Relocation Assistance

Relocation Assistance



Introduction

One of the unfortunate, but sometimes unavoidable, consequences of a modern, progressive nation is the necessary displacement of a comparatively small percentage of the population for the greater good of the whole.

If you are required to move as the result of a publicly-financed construction project, you may be eligible for relocation assistance, advisory services and payments provided by federal and state law.

It is the policy of federal and state government that displaced persons shall receive fair and humane treatment, and shall not suffer unnecessarily as a result of programs designed for the benefit of the public as a whole.

This brochure contains only general information designed to acquaint you with available relocation services and benefits. The relocation agent from the City of Lincoln will be happy to explain them in detail.

Table of Contents

The Basic Steps	1
Important Definitions	2
Relocation Assistance Advisory Services	3
Residential Moving Payments	4
Moving Cost Schedule	5
Replacement Housing Payments	5
Owner Occupants of 180 Days or More	7
Purchase Supplement	7
Reimbursement for Other Costs	8
Increased Interest Cost	9
Incidental Expenses	9
Property Tax Increase	9
Owner Occupants and Tenants of 90 Days or More	10
Owner Occupants of 90 - 179 Days & Tenants of 90 Days or More	12
Non-Residential Moving Cost Reimbursements	13
Moving Expenses	14
Searching Expenses	14
Actual Direct Loss of Tangible Personal Property	15
Re-establishment Expenses	15
Ineligible Expenses	16
Fixed Payment	16
Your Right of Appeal	17
Miscellaneous Information	18

**Administered by the
City of Lincoln, Nebraska
Housing Rehabilitation & Real Estate Division**
808 P Street, Suite 400
Lincoln, NE 68508
402-441-7864
urbandev@ci.lincoln.ne.us
Coleen J. Seng, Mayor

The Basic Steps

If Your Property is Being Acquired and You Need to be Relocated

If you are an owner...

1. The acquiring agency will appraise your property.
2. The appraisal will be reviewed.
3. You will be interviewed by the relocation agent.
4. While contracts and deed are being prepared, a relocation study will be completed.
5. The acquisition and relocation offers will be made to you together. At this time, you will receive a 90-day vacating notice.
6. If you accept the acquisition offer, and are satisfied with the relocation offer:
 - a. then you will be offered assistance in locating a replacement property.
 - b. in the meantime, the acquisition payment will be prepared and delivered to you.
 - c. a final 30-day vacating notice will be issued, when appropriate and if necessary.
 - d. advance relocation payments will be readied, if necessary.
 - e. you will close on your replacement property, and then move.
 - f. final relocation payments will be made.
7. If you don't accept the acquisition offer, and an agreement can't be reached:
 - a. eminent domain procedures will begin.
 - b. relocation activities may be put on hold.
 - c. issuance of the 30-day notice will be delayed.
 - d. upon the award of the court; refer to Step 6 above, except b.

If you are a tenant...

1. The acquiring agency will appraise the property.
2. The appraisal will be reviewed.
3. The acquisition offer will be made to the property owner.
4. A relocation agent will interview you, the tenant.
5. A relocation study will be completed.
6. A relocation offer will be made to you, along with being issued a 90-day vacating notice.
7. Finalize the location of your desired replacement property and make arrangements.

8. Ownership of the property will transfer to the acquiring agency, either through agreement or by eminent domain procedures. (If you are still in occupancy, you will now pay your rent to the agency.)
9. Advance relocation payments will be readied, if necessary.
10. Move to the replacement.
11. Final relocation payments will be made.

Important Definitions

Acquiring Agency This can be the City of Lincoln, Nebraska or any other county, municipal or political subdivision of the State of Nebraska having the authority to acquire private property for public use. The relocation program for the City of Lincoln's projects is administered by the Housing Rehabilitation & Real Estate Division of the Urban Development Department. Political subdivisions may administer their own programs or may contract for that service.

Business Any lawful activity, except a farm operation, conducted primarily for: the purchase, sale, lease and rental of personal and real property; or for the manufacture, processing, or marketing of an article of commerce; or for the sale of services to the public; or for an outdoor advertising display when forced to move.

Displaced Person Any individual, family, business, farm or association that moves from real property or moves their personal property from real property as a result of actions by a governmental agency. This can be as a direct result of: a written notice of intent to acquire, the negotiations for the acquisition of, or the rehabilitation or demolition of such real property.

Family Two or more individuals living together in a single family dwelling unit, either related or by mutual consent.

Farm The term "farm operation" means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale and home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

Initiation of Negotiations This term means the date the City of Lincoln delivers to the owner of the real property a written offer for the purchase of property, or a notice of its intent to acquire such real property.

Small Business A business having at least one, but not more than 500 employees working at the site being acquired by the City of Lincoln.

Relocation Assistance Advisory Services

Any person, family, business or farm displaced by a project shall be offered relocation assistance services for the purpose of locating a suitable replacement property. Relocation services are provided by qualified personnel employed by the City of Lincoln. It is their goal and desire to be of service to you, and assist in any way possible to help you successfully relocate.

Your relocation agent will provide you with assistance sufficient to meet your needs. You will be assisted in completing application and claim forms for payments and all relevant financial information concerning replacement housing will be explained. Every displaced person will be offered assistance in



order to minimize hardships encountered in searching for and locating a decent, safe, and sanitary replacement property. This includes transportation to inspect housing which we have referred to you, if you need it.

If you have a special problem, your agent will make every effort to secure the services of other public and private agencies in your community which are equipped to help you. So please make your needs known to your agent. If the agent can't personally help you with a specific problem, perhaps he or she can find someone who can help.

No one will be required to move from their existing dwelling for at least 90 days after a decent, safe and sanitary replacement dwelling has been made available to them. If decent, safe and sanitary housing is not available, the City of Lincoln will take whatever steps are necessary to provide housing through their Last Resort Housing methods.

Remember - your agent is there to help and advise you; be sure to make full use of their services. Don't hesitate to ask questions, and be sure you understand fully all of your rights and relocation benefits.

Do not move until you have contacted your relocation agent or are given an official notice to vacate the premises.

Residential Moving Payments

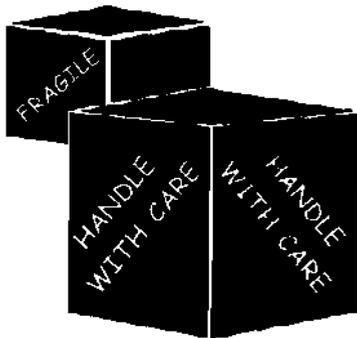
Displaced individuals and families may choose to be paid on the basis of actual, reasonable moving costs and related expenses, or according to a fixed moving cost schedule. However, to assure your eligibility and prompt payment of moving expenses, you should contact the relocation agent from the City of Lincoln before you move. You can choose from either:

Commercial Move

1. You hire the mover.
2. You pay the bills.
3. We reimburse you.



OR



Move Yourself

1. Amount is based on number of rooms (see *Moving Cost Schedule*).
2. No receipts required.

If you hire a commercial mover, **actual reasonable moving expenses** may be reimbursed. Certain other expenses are also reimbursable if the City of Lincoln determines that such costs are necessary, such as transportation costs to the new location, temporary quarters, storage of personal property, insurance costs while personal property is in storage or transit, reconnection of utilities, and other related costs. Your expenses must be reasonable and supported by receipted bills. Reimbursement is also limited to a 50-mile moving distance in most cases. Before taking this option you must submit to us at least two competitive bids from qualified commercial movers.

If you move yourself, you will be paid on the basis of the **moving cost schedule**. Moving cost schedules are prepared to provide adequate reimbursement for your moving expenses. The amount of the payment is based on the number of rooms in your dwelling. If you choose this option, your expenses need not be supported by receipted bills. Under this option you will not be eligible for reimbursement of related expenses.

Persons moving from a rooming or dormitory type situation, and who have a minimal amount of personal possessions, will be limited to a total moving payment of \$50. This amount also applies to anyone whose move is performed by the City of Lincoln at no cost to the person.

Moving Cost Schedule

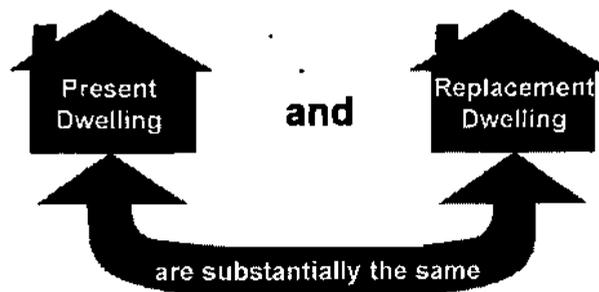
Federal Update of
6/15/06

Occupant Provides Furniture								
Number of Rooms of Furniture								Each Add'l Room
1	2	3	4	5	6	7	8	
\$360	\$505	\$645	\$790	\$900	\$1,005	\$1,115	\$1,225	\$110
Occupant Does Not Provide Furniture								
First Room				Each Additional Room				
\$285				\$37				

Replacement Housing Payments

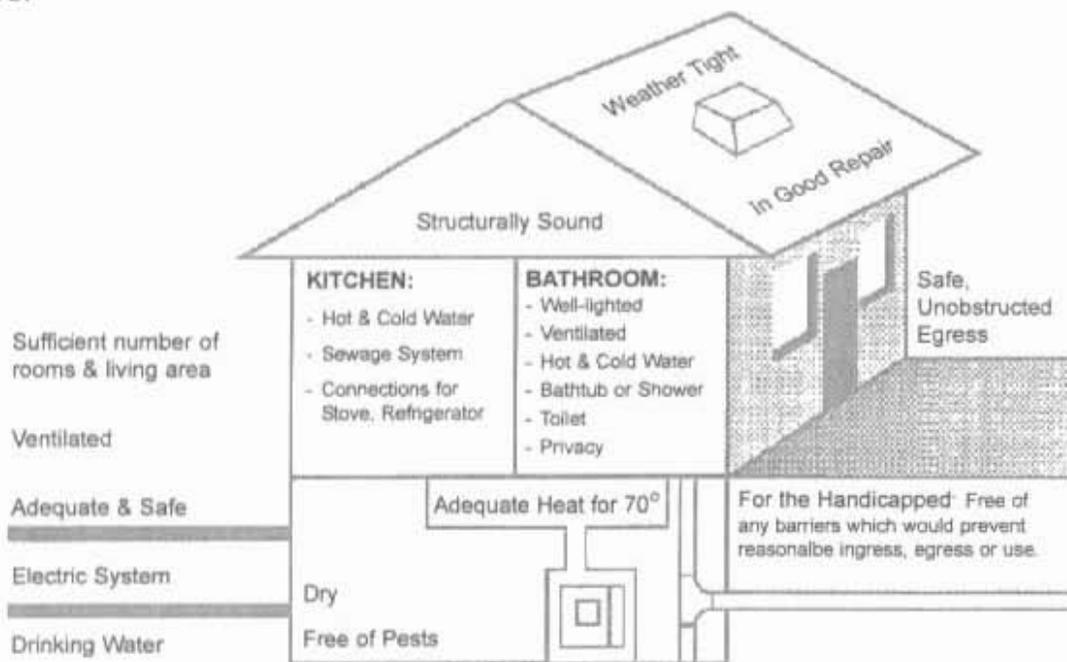
Replacement Housing Payments are to compensate the displaced person for increases in housing costs caused by acquisition of their dwelling. These payments represent the difference between the acquisition cost of your present dwelling and the purchase price of a comparable dwelling chosen by the City of Lincoln, or of the replacement dwelling you occupy, whichever is less. A **comparable replacement dwelling** means that your present dwelling and your replacement dwelling are substantially the same.

A comparable replacement dwelling is functionally equivalent and substantially the same as the original dwelling acquired, regarding the number of rooms, area of living space, construction, age and condition.



It must be located in an area with comparable public utilities, public and commercial facilities. It must be reasonably accessible to your place of employment and adequate to accommodate your needs. It must be located in an equal or better neighborhood and within your financial means. A comparable replacement dwelling must also be available on the open market and be fair housing, open to all persons regardless of race, color, religion, sex or national origin.

A comparable replacement dwelling must also be **decent, safe and sanitary**. Often referred to a "DSS," decent, safe and sanitary housing meets all of the minimum requirements established by regulation and conforms to local housing codes and ordinances for existing structures.



The kinds of Replacement Housing Payments that you may be eligible for depends on whether you are an owner or tenant and how long you have lived in the property being acquired prior to negotiations. There are three categories of payments:

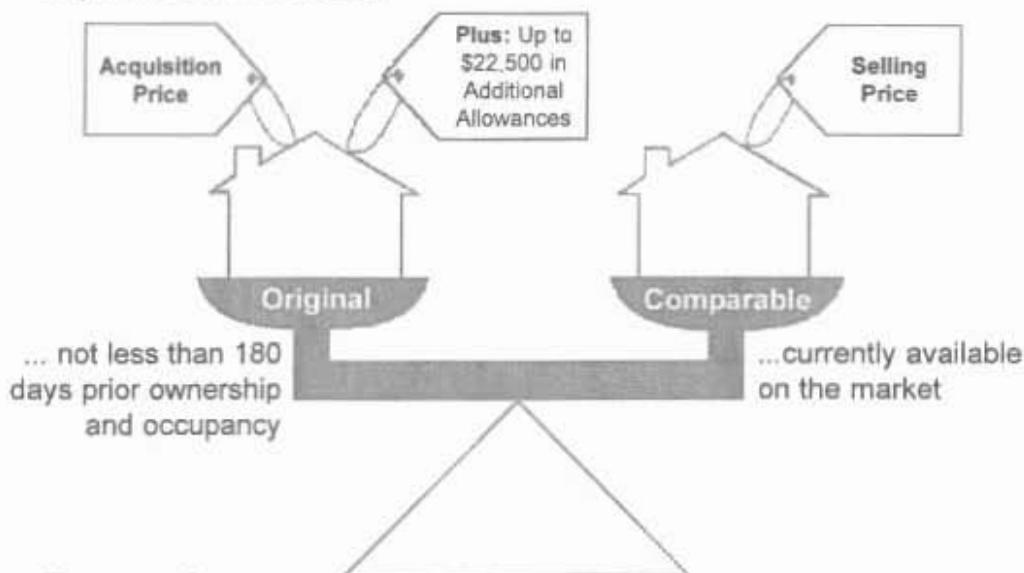
- **Owner Occupants of 180 Days or More**
- **Owner Occupants & Tenants of 90 Days or More, and**
- **Owner Occupants of 90 - 179 Days & Tenants of 90 Days or More.**

■ Owner Occupants of 180 Days or More *Purchase Supplement*

If you are an owner and have occupied your home for 180 days or more immediately prior to the initiation of negotiations for the acquisition of your property, you may be eligible for a ***purchase supplement*** - in addition to the acquisition price of your property. This purchase supplement cannot exceed \$22,500 for all costs necessary to purchase a comparable DSS replacement dwelling. The City of Lincoln will compute the maximum payment you are eligible to receive, attempting to balance the scale illustrated below.

To qualify for this supplemental payment, you must purchase and occupy a DSS replacement dwelling within one year after the latter of:

1. the date you receive final payment for the acquired dwelling or,
2. in the case of condemnation, the date the required amount is deposited in the court.

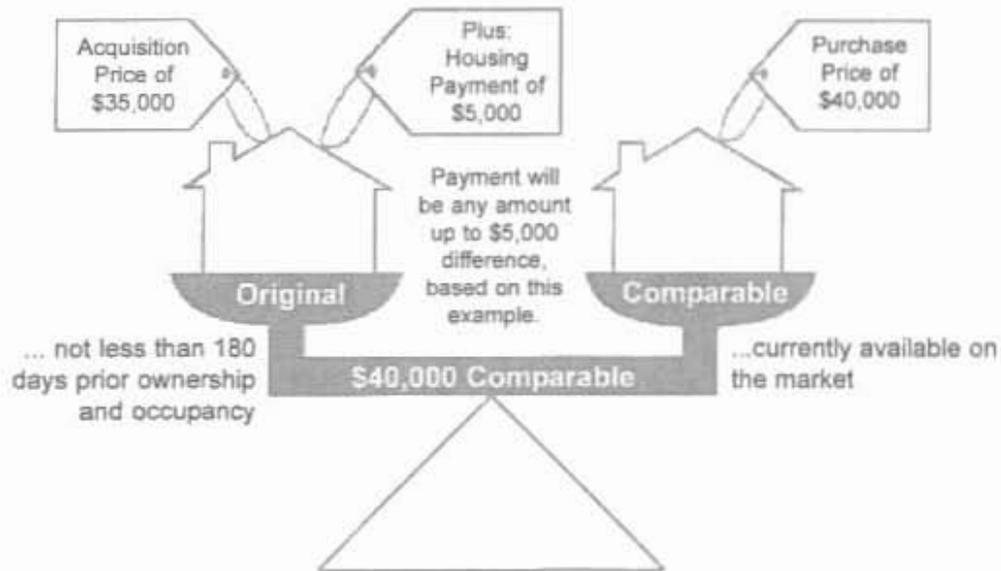


For Example...

Assume that the City of Lincoln purchased your property for \$35,000. After a thorough study of all available decent, safe and sanitary dwellings on the open market comparable to your dwelling, the City of Lincoln made the determination that a replacement property will cost you \$40,000. The City will pay you a maximum replacement housing payment of \$5,000 if you, in fact, purchase a replacement property costing \$40,000 or more. If your purchase price exceeds \$40,000, you must pay the difference in excess of \$5,000. For example, if you purchased a replacement property for \$42,000, you would receive a

purchase payment of \$5,000 and you would pay the difference of \$2,000. If you purchased a replacement property for \$38,000, you would receive a payment of only \$3,000 on the basis of actual cost. Your payment cannot exceed actual cost difference or the amount determined by the City whichever is less.

Purchase Price of Replacement	Comparable Replacement Property	Acquisition Price of Your Property	Maximum Purchase Supplement
	\$40,000	\$35,000	\$5,000
\$42,000	40,000	35,000	5,000
40,000	40,000	35,000	5,000
38,000	40,000	35,000	3,000



Reimbursement for Other Costs

The City of Lincoln will also reimburse you for other costs that may be involved in the purchase of a replacement dwelling. However, your total payment, including the purchase supplement, cannot exceed \$22,500 according to the law. The purchase supplement and other incidental costs are payments in addition to the purchase price of the dwelling acquired from you.

It is the intent of the relocation program to compensate the displaced person for their actual relocation expenses. However, those reimbursements must be reasonable and should not unfairly enrich the displacee. With this in mind, here are some of the items which will be reimbursed, and the conditions which must be met for doing so.

■ **Increased Interest Cost**

Persons eligible for this payment must have had a mortgage on the acquired dwelling, which was a valid lien, for at least 180 days prior to the initiation of negotiations.

This payment, when added to the down payment on the replacement, is designed to reduce a person's replacement mortgage to an amount which can be amortized at the same monthly payment, for principal and interest, over the remaining term on the old mortgage, or if less, the remaining term on the new mortgage. This procedure is commonly known as a "buydown."

Your payment will be reduced if you actually borrow less than the amount we calculate as your new mortgage.

In order to compute the payment, all pertinent information must be available to the agent, such as old and new interest rates and points, the remaining term and principal balance on the old and new mortgage, and the old and new monthly p&i payment. To make this payment work, please discuss it with your agent before you secure a new mortgage.

■ **Incidental Expenses**

You may be reimbursed for some of your closing costs connected with the purchase of your replacement dwelling, but not for prepaid expenses such as taxes or insurance. Here is a list of some of those items and the conditions for their being eligible:

- *Notary fees*
- *Deed recording fees*
- *Termite inspection*
- *Title search*
- *Survey*
- *Inspections when warranted or required.*
- *Title insurance - buyer's half, not to exceed the cost for the comparable.*
- *Mobile home sales tax - not to exceed the cost for the comparable.*
- *Legal fees - for preparing contracts or for closing, when reasonable.*
- *Appraisal fee - if acquired property had a mortgage.*
- *Application fee - if acquired property had a mortgage.*
- *Credit report - if acquired property had a mortgage.*
- *Loan recording fees - if acquired property had a mortgage.*

■ **Property Tax Increase**

If there is an increase in your real property taxes, you will be reimbursed over a three year period. The payment will not exceed the difference between your old taxes and the comparable's taxes.

The first computation and payment is made at the time of closing on your replacement. The second computation and payment will occur in the first months of the following year, with the third and final payment coming a year later. In some cases the displacee may take the first computed amount, times three, in a lump sum.

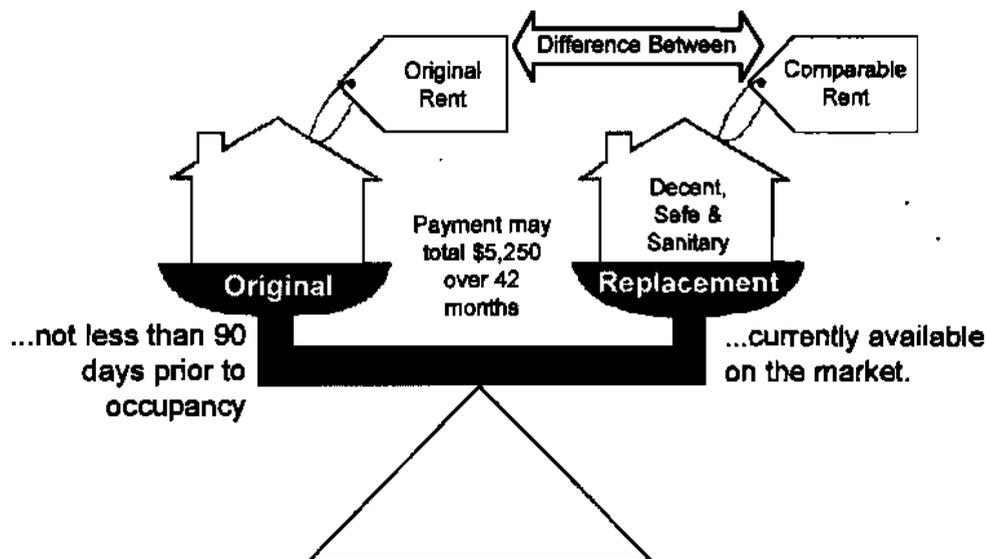
■ Owner Occupants and Tenants of 90 Days or More

Owner occupants and tenants of 90 days or more may be eligible for a rent supplement. To be eligible for this type of payment, tenants and owners must have been in occupancy at least 90 days prior to the initiation of negotiations for the acquisition of the property. This type of payment is a supplement, enabling you to rent a DSS replacement dwelling for three and one-half years, or 42 months. If you choose to rent a replacement dwelling and the rental payments are higher than you have been paying, you may be eligible for payments not to exceed \$5,250.

The maximum payment which you qualify for, if any, will be determined by the City of Lincoln in accordance with established procedures. The rent supplement payment will be disbursed in equal installments.

In addition to the occupancy requirements, you must rent and occupy a DSS replacement dwelling within one year after:

1. for a tenant, the date you move from the acquired dwelling; or
2. for an owner occupant, the latter of:
 - a. the date you receive final payment for the acquired dwelling, or in the case of condemnation, the date the full amount of the estimate of just compensation is deposited with the court; or
 - b. The date you move from the acquired dwelling.



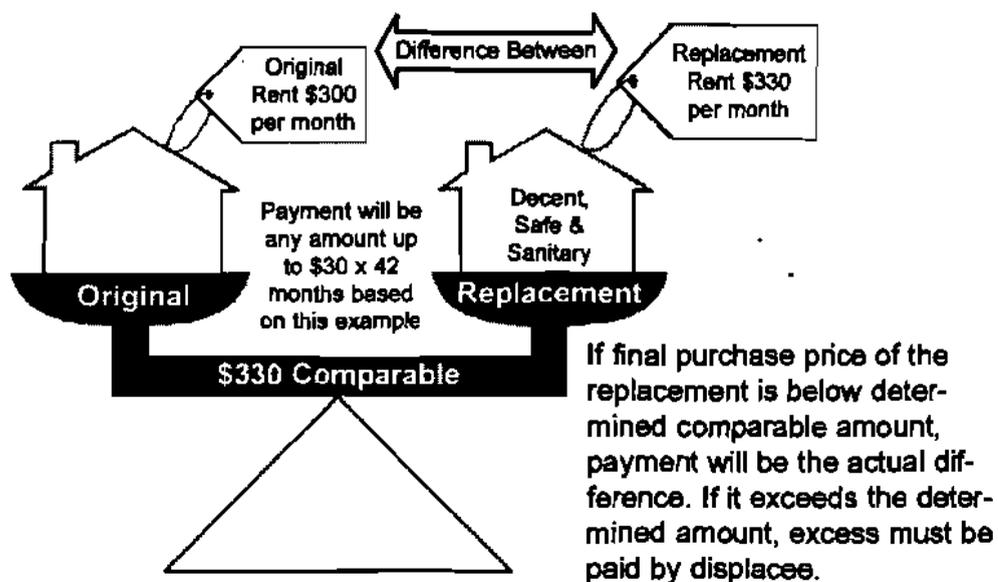
For Example...

As an example of how a rent supplement is computed, let's assume that you have been paying \$300 per month rent for the dwelling occupied by you and purchased by the City of Lincoln. After a study of the rental market, the City makes the determination that a replacement rental unit which is DSS and comparable to your present dwelling will rent for \$330 per month. The *maximum* rent supplement you can receive in this case is \$30 per month for a 42-month period.

If you select a replacement dwelling which rents for \$350 per month, despite the availability of comparable DSS replacement rental units that rent for \$330 per month, you will still receive only the maximum payment computed by the City of Lincoln as indicated above. In other words, you must pay the additional \$20 per month out of your own pocket. And, if you select a replacement dwelling which rents for more than your present rent, but less than the amount determined by the City, you will be paid on the basis of actual cost.

For example, assume you select a replacement dwelling unit that rents for \$320 per month. On the basis of actual cost you will be eligible for a payment of \$20 per month for 42 months.

The computations above are based on all dwellings having utilities included in the rent. Computations for an owner occupant are basically the same, except that a fair market rental amount will need to be established on your dwelling, for comparison with available rental dwellings.



■ For Owner Occupants of 90 to 179 Days and Tenants of 90 Days or More

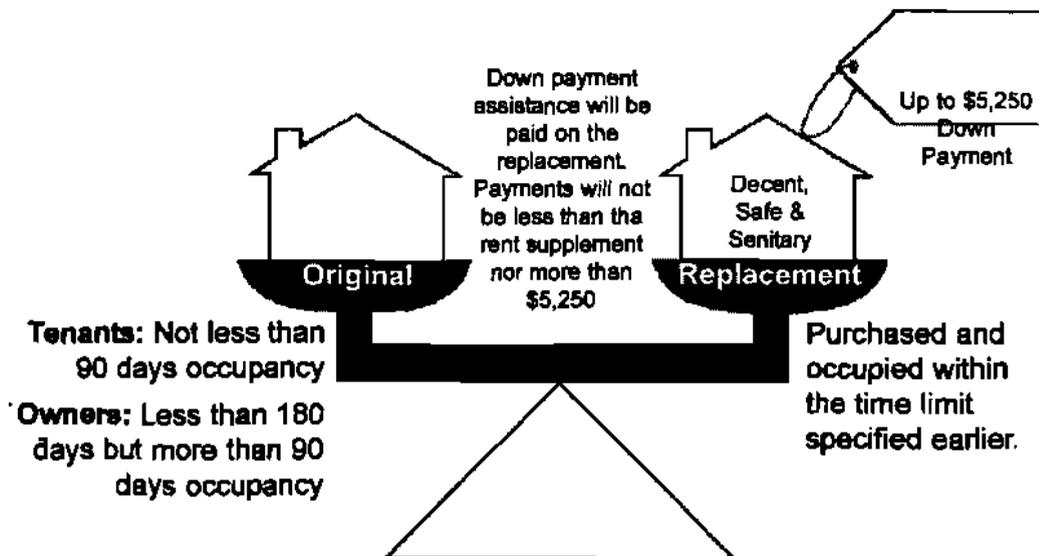
Owner occupants of 90 days to 179 days and tenants of 90 days or more who purchase a replacement dwelling are entitled to a down payment assistance payment in the amount the person would receive as a rent supplement as described previously. If the amount of the required down payment is greater than the computed rent supplement, that amount will be paid, not to exceed \$5,250.

The term "required down payment" means the down payment ordinarily required to obtain conventional loan financing for the decent, safe and sanitary dwelling actually purchased and occupied by the displaced person.

The payment to an owner occupant of 90 days to 179 days shall not exceed the amount the owner would receive as a purchase supplement if the owner met the 180 day occupancy requirement.

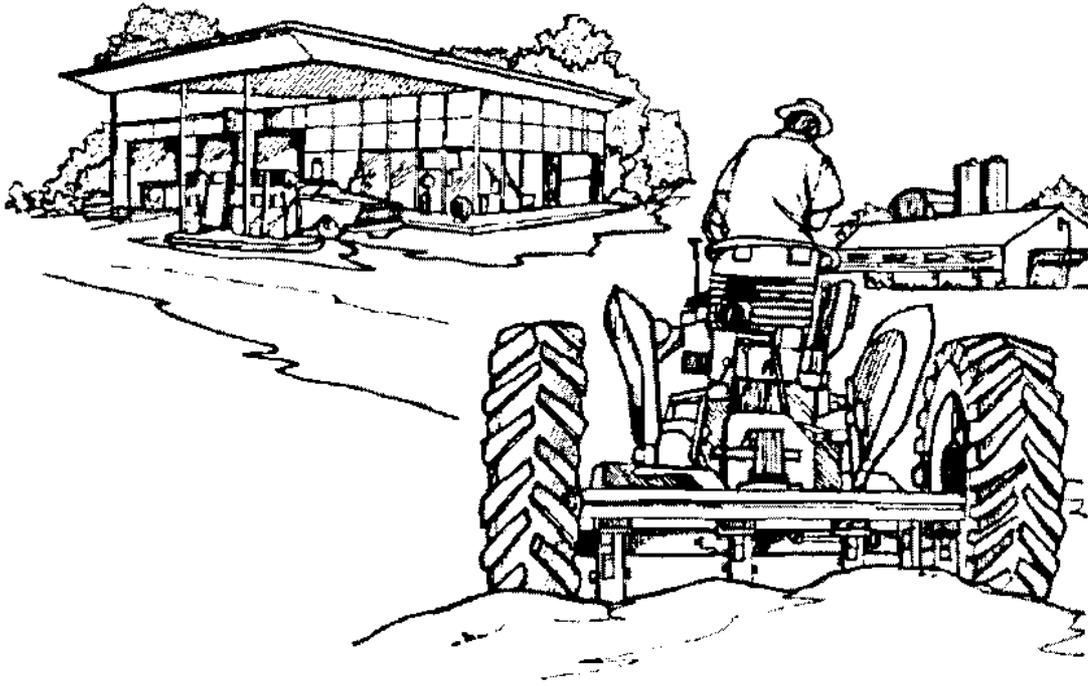
The full amount of the down payment assistance payment must be applied to the purchase price of the replacement dwelling and related incidental expenses.

Although this may sound complicated, the relocation agent from the City of Lincoln will explain the procedure to you personally.



Last Resort Housing

The term Last Resort Housing is an administrative procedure authorized by law to address those times when comparable replacement housing is not available under limits specified in law. The law and regulation allow the Agency to provide a replacement housing payment in excess of the statutory maximums of \$5,250 and \$22,500.



Non-Residential Moving Cost Reimbursement

Businesses, Farms & Nonprofit Organizations

Owners or tenants are eligible for payments designed to reimburse them for:

1. Their costs in moving personal property.
2. Their time in searching for a new location.
3. Actual loss of tangible personal property.
4. Their expenses in re-establishing at a new site.

OR

5. They can take a fixed payment in lieu of the other relocation benefits. This payment is between \$1,000 and \$20,000, based on the net earnings of the business or farm.

Not all businesses, farms, or nonprofit organizations qualify for all payments. A relocation study will determine the extent of your eligibility.

Moving Expenses

When there is personal property to move, the owner of it has two methods to choose from:

- **Commercial Move.** You may be paid the actual reasonable costs of your move provided by the services of a commercial mover. All of your expenses must be supported by receipted bills in order to assure payment of your moving claim.
- **Self-Move.** If you decide to move yourself you may be paid an amount which does not exceed the lower of two firm bids by two qualified moving firms. If bids can't be obtained, your payment may be based on your actual, reasonable moving expenses supported by receipted bills or other evidence of expenses incurred.

You must first provide the City of Lincoln with an inventory of the items to be moved. The relocation agent will make a moving estimate, or will secure two bids from commercial movers. You will be offered an amount to move yourself, or you can hire a commercial mover; reimbursement not to exceed the low bid.

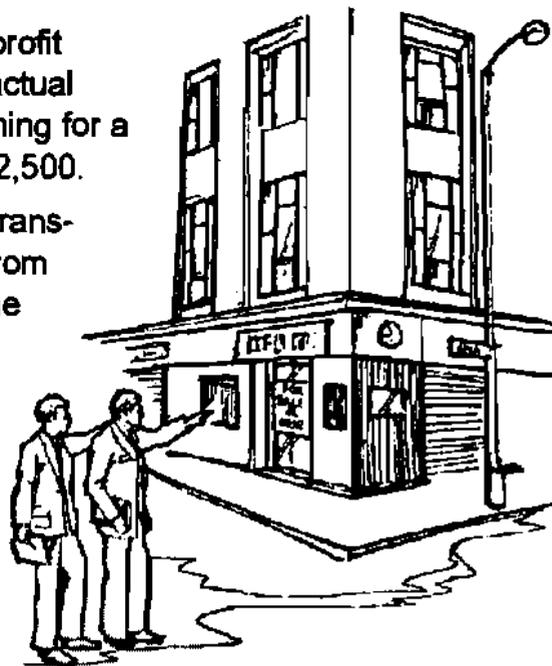
You must give your agent advance notice of the start of your move so that the move can be monitored, if needed.

Some, but not all, of the elements of the move eligible for reimbursement are: transportation costs; packing costs; disconnect and reconnection of equipment; storage costs, if necessary; insurance; unused portions of licenses or permits; costs of obsolete signs and stationery.

Searching Expenses

Displaced businesses, farms and nonprofit organizations may be reimbursed for actual reasonable expenses related to searching for a replacement property, not to exceed \$2,500.

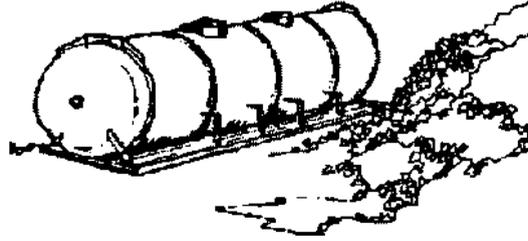
Expenses may include costs such as transportation, meals, lodging when away from home, and the reasonable value of time actually spent in search. All expenses must be supported by receipted bills. The value of time spent in the search must be supported by W-2 forms, pay stubs, tax returns, or other documentation. A detailed record of your searching activities must be kept and submitted before payment can be made.



Actual Direct Losses of Tangible Personal Property

A business or farm operation may decide not to move certain items of personal property, or to discontinue the operation. If so, this payment is designed to compensate for some of that loss. There are two situations and methods of computing your payment:

1. Item is not replaced. Payment will be the lower of:
 - a. Fair market value of item (in place value); Minus the proceeds of the sale of the item (must at least attempt); Plus reimbursement of the sale expenses; or
 - b. Estimated cost of moving the item (up to 50 miles).
2. Item to be replaced with new. Payment will be the lower of:
 - a. Cost of substitute item, including installation costs; Minus proceeds from the sale or trade-in of the old item; or
 - b. Estimated cost of moving and reinstalling the old item.



Re-establishment Expenses

In addition to the previous benefits, a small business, farm or nonprofit organization may be eligible for reimbursement of expenses actually incurred in relocating and reestablishing at a replacement site. Expenses must be reasonable and necessary, as determined by the City of Lincoln, and the payment will not exceed \$10,000. Some of these expenses may include, but are not limited to:

1. Repairs or improvements to the replacement real property, as required by law or code.
2. Modifications to the property to adapt it to the business's needs.
3. Construction and installation costs for exterior advertising signing.
4. Provision of utilities from right-of-way to improvements.
5. Necessary redecoration or replacement of worn surfaces, such as paint or carpeting.
6. Feasibility surveys, soil testing, and market studies.
7. Advertisement of new replacement location.
8. Professional fees in connection with the purchase or lease of a new site.
9. Impact fees or one-time assessments for anticipated heavy utility usage.

10. Estimated increased costs of operation during the first two years at the new site for such items as:
 - a. lease or rental charges
 - b. personal or real property taxes
 - c. insurance premiums
 - d. increased utility charges, excluding impact fees.

Ineligible Expenses

The following is a nonexclusive list of re-establishment expenses not eligible for reimbursement:

1. Purchase of capital assets, such as office furniture, machinery, or trade fixtures.
2. Purchase of materials, supplies, or other items used in the course of normal operations.
3. Interest on money borrowed to make the move or purchase the replacement site.
4. Payment to a part-time business in the home which does not contribute substantial income.

Fixed Payment

Displaced businesses, farms and nonprofit organizations may be eligible for a fixed payment *IN LIEU* of actual moving expenses, reestablishment expenses, actual direct loss of tangible personal property, and searching expenses. Such payment may not be less than \$1,000 nor more than \$20,000. For the owner of a business to be eligible for this payment, the City of Lincoln must determine that:

1. the business owns or rents personal property to be moved.
2. the business cannot be relocated without a substantial loss of its existing patronage (income).
3. the business contributes materially to the owner's income.
4. the displaced business is not part of an enterprise having at least three other similar entities not being acquired.
5. the business is not solely for the purpose of rental property.

For the owner of a farm operation to be eligible for this payment, it must be determined that:

1. The operation contributes materially to the operator's income.
2. The acquisition of part of the land causes the operator to be displaced from the remaining land.
3. The partial acquisition causes a substantial change in the nature of the farm operation.

Computation of Your Fixed Payment...

The amount of the actual payment for businesses and farms is determined by the average of the annual net earnings for the operations in the two years preceeding the taxable year during which the enterprise is relocated.

For Example:

3rd Prior Year	2nd Prior Year	Year of Acquisition
Annual Net Earnings	Annual Net Earnings	Year of Relocation
\$8,000	\$14,000	
Average		

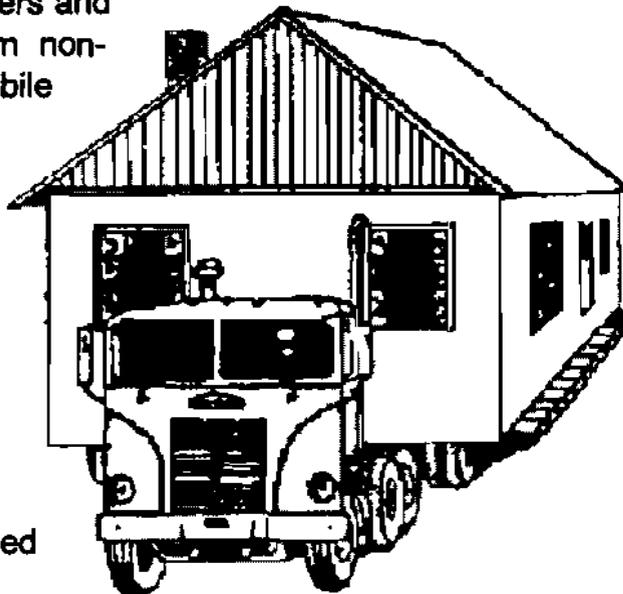
\$11,000 = Fixed payment; also called IN LIEU payment

A nonprofit organization is eligible for this payment when it cannot be relocated without a substantial loss of its membership or clientele. Any payment above \$1,000 is based on annual gross revenue minus administrative expenses.

You must provide tax information to the City of Lincoln to support your net earnings. If you've been in business less than two years, the net earnings for the actual period will be projected to an annual rate. Net earnings include compensation paid to the owner, the owner's spouse or dependents.

Miscellaneous Information

In the case of mobile home owners and tenants who are displaced from non-decent, safe and sanitary mobile homes, the replacement housing payments described earlier are applicable. For those mobile homes that are decent, safe and sanitary and can be moved, the provision of rental replacement housing payments, a purchase down payment on another site, or a purchase differential are applicable. Further explanation of these payments will be provided by your relocation agent.

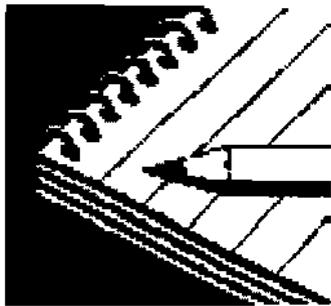


If you choose to retain your present dwelling and move it to a new location, the replacement housing payment if any, will be the amount by which the cost to relocate the retained dwelling exceeds the acquisition price of the dwelling.

This payment may not exceed the computed replacement housing payment based on the purchase of an available, comparable DSS dwelling.

No relocation payment received shall be considered as income for the purpose of the Internal Revenue Code of 1986 or the state tax laws. These payments are not income for determining the eligibility of any person for assistance under the Social Security Act or any other federal law, except for any federal law providing low income housing assistance.

Your Right of Appeal



If you have been refused a relocation payment, or if you believe that the payment offered was not adequate to relocate, you may file an appeal. To do that, request an appeal form by calling Urban Development Department at 441-7864. Fill out the appeal form and return it to: Housing Rehabilitation & Real Estate Division, 808 P Street, Suite 400, Lincoln, NE 68508.

Your appeal will be reviewed by the City of Lincoln's Real Estate Supervisor, who will make a decision after consulting everyone involved with the original determination. If you are unsatisfied with that decision, you may appeal it to the Director of the Urban Development Department.

If you are unsatisfied with the Director's decision, you may appeal it to the Mayor. The Mayor will appoint a Relocation Appeal Board to preside over an information hearing. After reviewing the facts as presented by the Relocation Appeal Board, the Mayor makes the City's final determination. If still dissatisfied, you may appeal that determination to the District Court of Lancaster County.

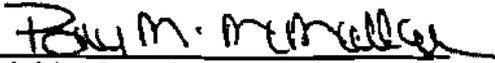
Appendix C: Land Disposition Procedures

ADMINISTRATIVE REGULATION - LAND DISPOSITION		CITY OF LINCOLN
SUBJECT: Purchase, Dedication, Donation, or Sale of Real Property	EFFECTIVE DATE: August 15, 1994	A.R. NO.: 2A
APPLIES TO: All Departments	SUPERCEDES: Subsection G.2. of A.R. No. 2	PAGE <u>1</u> OF <u>2</u>

Subsection G.2. of Administrative Regulation No. 2 is hereby amended to read as follows:

1. The City of Lincoln also owns properties surplus to its need which are not public ways. Generally no action has been taken in the past as to their disposal until a request to purchase then is received. Those requests may be received by any operating department; however, it is believed most are received by the Real Estate Division. Once a request is received, verification of the City's ownership of the parcel is made. Once ownership is confirmed, contact is made to the Public Works, Planning and to the operating department utilizing the real estate to determine if it is surplus. If it is desirable to dispose of the property the reservations of easements of specified uses are sought. All reports are returned to the Real Estate Division. A presentation of the request to purchase and report is made by the operating department at Director's Meeting for a recommendation to or by the administration. In the event the administration may recommend that the property not be sold, the Real Estate Division is notified so that it can respond to the original request advising of the administration's decision. If the decision is to dispose of the real estate, the operating agency shall notify the Real Estate Division and which shall refer the request, recommendations, and all other reports to the Planning Department which will report on the conformity of the proposed action to the comprehensive plan in accordance with Article 9B Section 6 of the City Charter. The report of the Planning Department shall then be forwarded to the City Council, along with an ordinance to authorize the sale for its consideration. At that time, the Real Estate Division submits a appraisal of the property. The same process of developing an estimate of the value of the property is followed as in the case of vacated streets and alleys. The same number of copies of the appraisal report are delivered to the City Clerk for referral to the City Council and to the Mayor's Office. Once all reports have been received by the Council, the matter is placed on the agenda for consideration. If the property is to be disposed of, the Law Department is directed to prepare documents as are necessary to convey the property and upon the terms set by the City Council. Those documents are furnished to the Mayor's Office for execution. The Law Department delivers the executed deeds when the considerations as prescribed by the Council are received. Such monies are delivered to the Finance Department for deposit in the account of Advance Land Acquisition. It naturally follows that if the decision of the Council is to reject or disapprove the sale of surplus

Approved:


 Administrative Assistant


 Mayor

ADMINISTRATIVE REGULATION

CITY OF LINCOLN

SUBJECT: Purchase, Dedication, Donation or Sale of Real Property	EFFECTIVE DATE: August 15, 1994	A.R. NO.: 2A
APPLIES TO: All Departments	SUPERCEDES: Subsection G.2. of A.R. No. 2	PAGE <u>2</u> OF <u>2</u>

property, that decision is communicated to the Real Estate Division who notifies the original person, persons or businesses requesting its purchase. All purchase requests will ultimately be referred to the City Council for its approval or denial.

Approved:

Ray M. McMullen
Administrative Assistant

[Signature]
Mayor

Appendix D: Parcels to be Acquired for Residential Development

(none at this time - 5/23/07)

Appendix E: Parcels to be Acquired, Substandard Housing, and Commercial/Industrial Structures

(none at this time - 5/23/07)